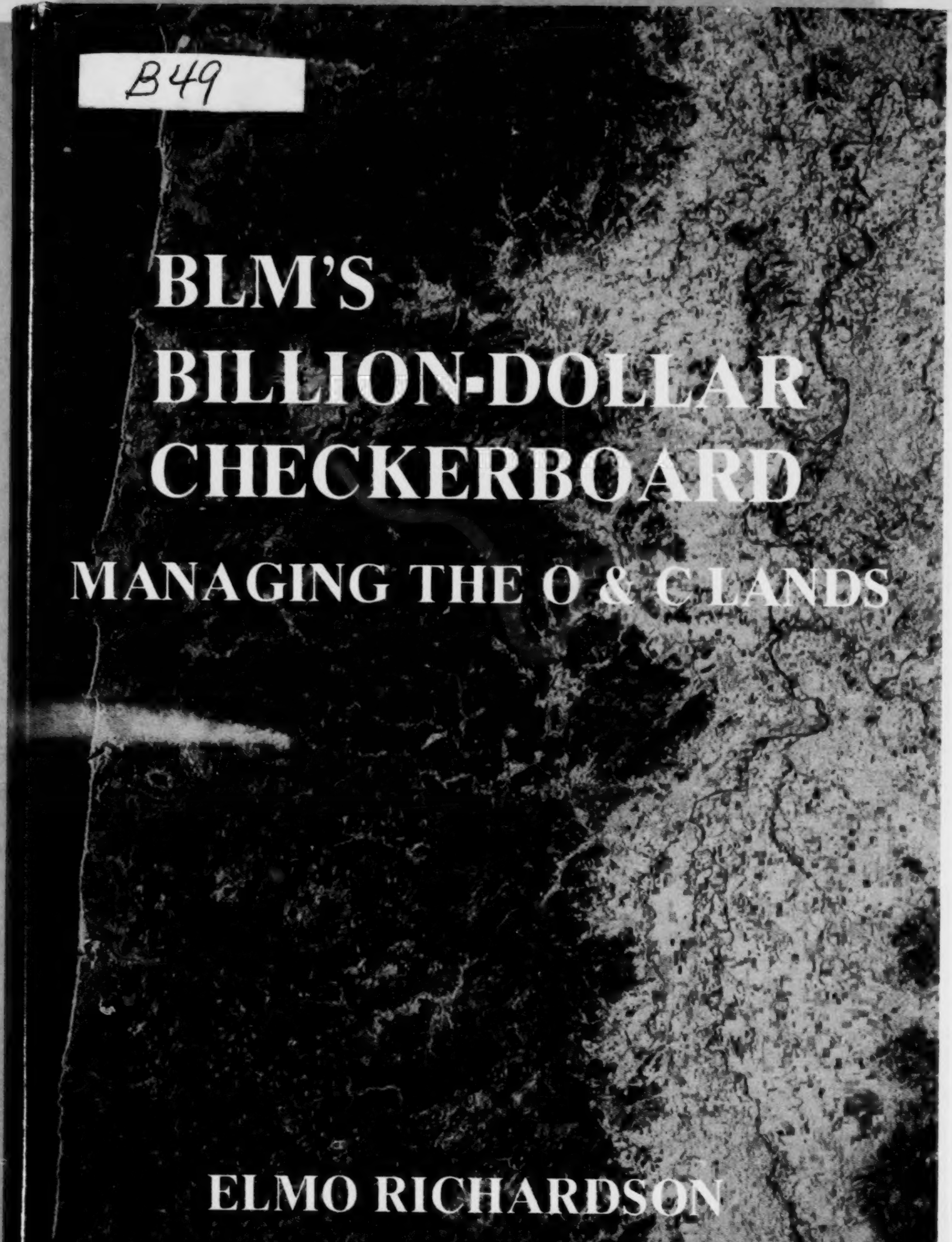
B49



BLM'S BILLION-DOLLAR CHECKERBOARD

MANAGING THE O & C LANDS

ELMO RICHARDSON

I 53.2:

BLM's Billion-Dollar Checkerboard

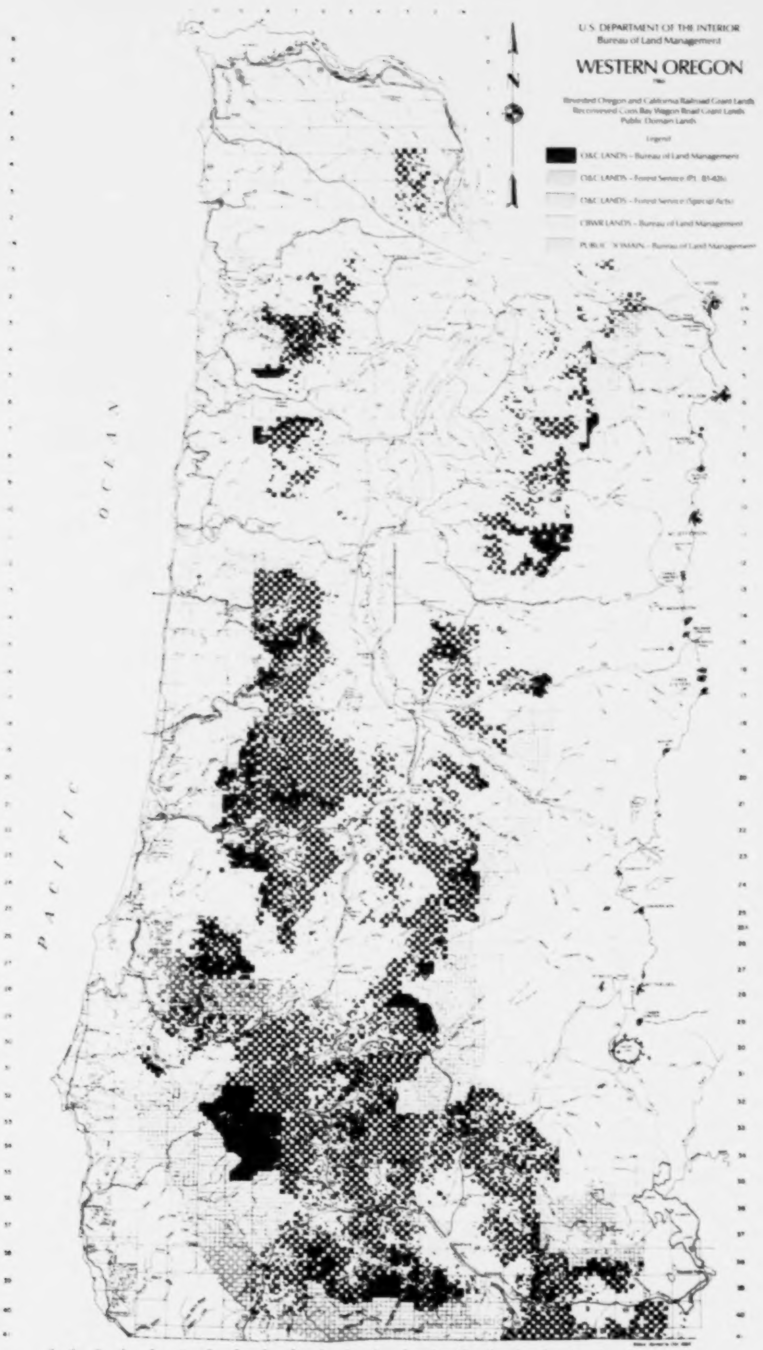
NEWARK PUBLIC LIBRARY

OCT 24 1980

U. S. GOVT. PUBS.
DEPOSITORY 376

best copy available

I 53.2: B49

U.S. DEPARTMENT OF THE INTERIOR
Bureau of Land Management
WESTERN OREGON
Revested Oregon and California Railroad Grant Lands
Reconveyed Coos Bay Wagon Road Grant Lands
Public Domain Lands
Legend
O&C LANDS – Bureau of Land Management
O&C LANDS – Forest Service (P.L. 83-426)
O&C LANDS – Forest Service (Special Acts)
CBWR LANDS – Bureau of Land Management
PUBLIC DOMAIN – Bureau of Land Management
N
PACIFIC
OCEAN

BLM'S BILLION-DOLLAR CHECKERBOARD

MANAGING THE O & C LANDS

by

ELMO RICHARDSON

NEWARK PUBLIC LIBRARY
OCT 24 1980
U. S. GOVT. PUBS.
DEPOSITORY 376

FOREST HISTORY SOCIETY
Santa Cruz, California
1980

This book was prepared under contract YA-512-CT7-121 between the Oregon State Office, Bureau of Land Management, United States Department of the Interior, and the Forest History Society, Santa Cruz, California.

The Forest History Society is a nonprofit, educational institution dedicated to the advancement of historical understanding of man's interaction with the North American forest environment. It was established in 1946. Interpretations and conclusions in publications prepared by the Forest History Society are those of the authors; the Society takes responsibility for the selection of topics, the competence of the authors, and their freedom of inquiry.

For sale by the Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402.

CONTENTS

Preface vii

Prologue: The Railroad to Revestment 1866–1915 1

1. "The Most Conspicuous Defect" 1916–1930 19

2. Designing a New Charter 1931–1937 43

3. A Simple, Flexible Framework 1938–1944 59

4. The Little War 1939–1948 79

5. "Some Fundamental Problems of Government" 1939–1949 95

6. The Best Years/The Worst Years 1949–1952 113

7. The Politics of Adjustment 1953–1960 131

8. Taking the "Thirteenth Amendment" 1959–1972 153

Epilogue: 1976: Patterns of the Past and the Future 169

Appendix 177

Notes 181

Index 193

ILLUSTRATIONS

Photographs .... following page 86

Maps

The O & C Lands .... frontispiece

The O & C Counties .... facing page 86

READEX FICHE

PREFACE

The world's richest stand of Douglas fir forest stretches like an immense quilt of many greens covering the western third of Oregon, from the crest of the Cascade Range to the Pacific Ocean and from the Columbia River to the California border. On a map of ownership and use, that forest is a checkerboard of varicolored rectangles representing private holdings, state reserves, and millions of federal acres. Although most of the latter public domain is included in national forests managed by the Department of Agriculture's Forest Service, the Bureau of Land Management of the Department of the Interior administers two and a half million acres. These tracts are the "O & C," a convenient designation for their full title: the combined Oregon and California Railroad Revested Lands and Coos Bay Wagon Road Reconveyed Lands.

The forests of the O & C contain over forty billion board feet of standing timber. That sum represents only slightly more than the annual national harvest. But in terms of technical management and fiscal benefits, the O & C "checkerboard" is a unique and significant chapter in the history of the nation's land and resource policies.

In 1916, Congress "revested" a portion of an 1866 railroad land grant by reassuming federal title to it. Ten years later, the government partly compensated the eighteen counties in which those lands are situated for taxes owed them. In 1937, Congress authorized the Department of the Interior to harvest and sell the O & C timber on the basis of sustained yield; that is, permanent productivity. Congress also established a formula whereby the major part of revenues from use of those timbered lands would be given to the O & C counties without conditions as to their expenditure. No other counties in the history of the United States had been so favored, nor have any others been so ultimately enriched. The O

& C forests were initially valued at twenty-five million dollars, and it was assumed that the lands would be used for agriculture after they were cut over. By the end of the 1950s, however, they were producing more than their original valuation every year under the requirements of sustained-yield forest management. Within another decade, both their value and the volume of timber harvested were counted in the hundreds of millions. Ten years later, the logarithmic rise in the prices paid for Douglas fir products multiplied all of these statistics many times over.

This book is not a statistical description or technical evaluation of forest management on the O & C. It is a study of resource management in a democratic political system. Like the "checkerboard" itself, a variety of themes are intermingled here: public-interest legislation and administration, intra- and intergovernmental relations, and the interrelationship between public and private sectors of a region's economy, both representing community interests. In every instance, the O & C's history was shaped by men who were members of two very different professions — forestry and politics. Contention and controversy impeded their efforts, yet they secured a striking harmony among diverse interests. In substance, therefore, this study offers examples to present and future generations who must balance these same demands in their efforts to sustain all of the resources in this nation's landed environment.

Each of the above themes awaits research by scholars who are not confined by the limits under which I did this study. For example, I was able to examine about two-thirds of the available primary sources: federal documents and correspondence, state and county archives, private papers and interviews. But there are no scholarly histories yet written on the General Land Office in the twentieth century, the Department of the Interior under Harold Ickes, the formative years of the Bureau of Land Management, or the overhauling of national land and resource policies since the 1950s. More specifically, no one has yet put together all of the primary and secondary sources concerning the land policies of Oregon railroad companies; described comprehensively the structure and operations of logging and lumber-products companies in the region, the Oregon State Board of Forestry, the O & C Advisory Board, the Association of O & C Counties; or analyzed the roles of forestry schools and of economic and political leaders and pressure groups in each of these topics. The present study, it is hoped, will break trail for those who must take on any of these scholarly chores. I especially wish good luck to those seeking corporate records, many of which seem to have been lost or destroyed, accidentally or intentionally.

The historian's task would be sheer drudgery if it were not for the encouragement and assistance of many people. Harold "Pete" Steen, executive director of the Forest History Society, realistically designed this project and was for two years my compassionate overseer. Murl Storms, BLM State Director for Oregon (now retired), made the project possible and assigned as liaison Carroll Dubuar of the Oregon State Office (also now retired), who went far beyond his official responsibility in sharing his vast knowledge of forest administration and corrected my many errors. BLM's contract did not determine the content of this study, nor is this an official evaluation of the quality of management applied by that agency to the O & C lands. However, some of the bureau's incumbents and veterans provided me with candid and perceptive judgments of the issues involved in O & C forest management. Kenneth Burkholder, Lester Dunn, Leonard Netzorg, Boyd Rasmussen, and Robert Wolf were so voluble in interviews that I constantly wanted to exceed my assignment and record the many other significant topics that are part of their vast experience. I obtained additional views and explanations in briefer questioning of Marion Clawson, C. Girard Davidson, Joe Dose, Dan Goldy, James Hart, Jerry O'Callaghan, Harry Hogan, Bill Rouse, Dennis Samuelson, Charles Stoddard, Travis Tyrrell, Thomas Watts, and Edward Woozley.

Others who drew upon their many years' observations to tell me about O & C matters are Lucien Alexander of Mason, Bruce and Girard of Portland; Eric Allen, Jr., of the Medford *Mail-Tribune;* David Barrows, counsel to the Association of O & C Counties; Pete Chase of Mazama Timber Products, Sutherlin, Oregon; Jim Fisher, Ted Maul, and J. E. Schroeder of the Oregon State Department of Forestry, Salem; Ray Doerner of Roseburg, executive secretary of the Association of O & C Counties; Robert Jones, attorney, of Lake Oswego, Oregon; Gene Knudson of Willamette Industries, Portland; Harry McKitrick, formerly with the federal Office of Management and Budget; and H. L. Pratt of the Forest Service, Portland.

The staffs of the following institutions were invariably helpful: the Bureau of Land Management and the Forest Service, Portland and Washington, D.C., offices; the National Archives, the Library of Congress, and the Department of the Interior, Washington, D.C.; the Washington National Records Center, Suitland, Maryland; the Federal Records Center, Seattle; the University of Oregon Library's Manuscripts Division; the Bancroft Library and Regional Oral History Office of the University of California, Berkeley; the Oregon Historical Society, Portland; the Oregon State Archives, Salem; the County Clerk's Office and County Commission's Budget Offices and the Pioneer Museum, all in Eugene, Lane County, Oregon; the Georgia-Pacific Company Museum and the Oregon Division of the Southern Pacific Railroad Company, Portland; the Harry S. Truman Library, Independence, Missouri; the Dwight D. Eisenhower Library, Abilene, Kansas; the University of Washington Forestry Library, Seattle; the University of Wyoming Library's Manuscripts Division, Laramie; the Denver Conservation Library; and the Forest History Society Library, Santa Cruz, California.

Finally, this project brought me into cordial association with several young, energetic, dedicated persons. David Piff of the Federal Records Center, Seattle, and Richard Crawford of the Natural Resources Branch of the National Archives are a researcher's ideal archivists. Historians Alberto Herrera, Jr., of Eugene and the former Washington-area research team of Judy Reardon and Larry Myers digested the contents of heaps of newspapers and documents for me. In sum, my lot was "an happy one" because I worked with *people*, past and present.

ELMO RICHARDSON
Seattle, July 1979

Prologue

THE RAILROAD TO REVESTMENT

1866–1915

FEDERAL LAND GRANTS TO RAILROADS

Five years before the Civil War began, many Americans viewed a transcontinental network of railroads as the greatest venture ever promoted by the government of the United States. Five years after the close of that conflict, prominent citizens were writing and speaking in criticism of that same enterprise. Some were angered by unsavory financial practices often used by railroad companies, but Americans who looked westward were far more dismayed by the loss of vast quantities of public lands. In twenty-four separate acts passed during the preceding twenty-one years, Congress had granted to a few companies 130 million acres of the public domain in the states and territories of the trans-Mississippi West. In the 1850s, investors and legislators had reasoned that railroad construction was more important than the land simply because the latter was worthless without access and transportation. By wartime, however, population increase and emigration, coupled with the growth of a national economy based upon use of the land and its resources, increased the immediate value of the unoccupied domain. Once considered infinite, the public lands were literally numbered by the passage of the Homestead Act in 1862.

With the return of peace, popular definition of the national interest amended the old Jeffersonian dream of liberty and progress whereby the lands would go to actual settlers to farm. Liberty now meant free enterprise, and progress was to be obtained through the productivity of mills and factories dependent upon the exploitation of minerals, waters, and timber taken from the federal lands. In legislature and marketplace, spokesmen for these emphases gave lip service to the democratic implications of such a political economy by bending the statutory phrase "actual settlers" to include all who took up the public lands under any circumstances and for any purpose. The Homestead Act was therefore modified during the 1870s to fit the special physical conditions of the remaining frontier — aridity, mountainous terrain, and forest-covered lands — and the demands of the new enterprisers.

The duality of national purpose was epitomized in the Department of the Interior itself. Given diverse responsibilities by Congress, including supervising disposition of the public domain, it was administered by a small number of political appointees and their agents scattered across the West. Its General Land Office (GLO) kept lists, plats, accounts. It also initiated surveys and certified patents — that is, confirmed land titles transferred from the United States to those who entered upon and improved and paid for the land as required by law. It was Congress, however, not the GLO, that determined this nominal management of land disposition. Legislative largesse was at first confined to essentials such as the improvement of local watercourses and federal military facilities. In Coos and Douglas counties of southwestern Oregon, for example, over 105,000 acres of odd-numbered public-domain sections were made available for the construction of the Coos Bay Wagon Road. Primarily intended to connect Roseburg with the sea, it could also be used for the movement of federal troops and their supplies. All such grant lands (once title had left the United States) were generally considered beyond the authority of either the legislative or the executive branch of the federal government. In cases of dispute or trespass, of course, the Interior Department relied upon agents: its own, those of the Justice Department, or those of the federal courts. Even the GLO's limited functions were poorly executed because of the indifference, ignorance, ineptitude, and parsimony of its staff and of members of the public lands committees of the Senate and House of Representatives. Just when GLO's responsibilities for agrarian settlement were increased by the Homestead Act, it was also given jurisdiction over the railroad land grants, although specific authority was not assigned until a Railroad Commission was established in the department in 1872. In terms of personnel, budget, and powers of surveillance, the new agency was no better than the old one.

When the transcontinental railroad routes were extended to the Pacific Northwest later in the decade, interested parties recognized that a connection between the main ports of California and Oregon was highly desirable, especially for the lumber trade. The

Central Pacific Railroad Company (already recipient of a large federal land grant for its part in the construction of track across the trans-Mississippi West) set up a California and Oregon Railroad Company to build a route from Sacramento to the Oregon border. If any members of Congress read the report of the company's chief engineer in 1865, they learned that the land to be traversed in the border area was covered with "forests of timber suitable for lumbering purposes, which cannot be excelled by any on the globe." In fact, that accolade more properly described the forests north of the border in southwestern Oregon, where over 80 percent of the standing timber consisted of Douglas fir, much of it more than 5 feet in diameter and 200 feet in height.

Still reasoning as it had during the war, Congress established a land grant in July 1866 to promote rapid completion of the Oregon segment of the project by encouraging competition. Ultimately, about 3.7 million acres of the public domain (12,800 acres per mile of track completed) were set aside in parcels of twenty odd-numbered sections (640 acres each) within a strip twenty miles on each side of the right of way. This acreage was designated as the primary grant. Because many sections of the fertile river valleys were already owned by pioneer farmers or included in lands donated to the territory by Congress before the Civil War, the recipient company — to be designated by the Oregon state legislature — could select lieu or alternative sections within a tract ten miles beyond the primary grant. These latter sections were the indemnity lands. While "having due regard" for company rights, Congress reserved to itself the power to "add to, alter, amend, or repeal" the act of grant.

Later in the same year, the state legislature officially designated the Oregon Central Railroad as the proper recipient. Organized recently (and tactfully) in Salem, the state capital, the company proposed to build a railroad from Portland "to the 42nd parallel," the southern border of Oregon. A year later, however, another Oregon Central Railroad was chartered in Portland to build in the same direction, but on the east side of the multi-river system — the Willamette, Umpqua, and Rogue — that drains the western third of the state. Spokesmen for the first enterprise quickly denounced the second as "a bogus company gotten up for blackmailing purposes"; the latter replied in kind that the Salem company was "an illegal organization." When Oregon's Senator George H. Williams urged the Interior Department to intervene he learned that, because statutory time had elapsed, additional legislation had to be approved or the grant would remain in limbo pending adjudication of the rival claims. Fearing that the benefits of the 1866 act would be lost to every interested group, Williams introduced a bill in the Fortieth Congress in January 1869. Its terms allowed the original grant to go to "any railroad company heretofore designated" by the state. Jealous eastern senators failed to derail the measure because the chance that the bill could both settle the local argument and sustain the will of Congress earned for it sufficient support in both houses.

Because there was no immediate public demand for the grant lands, the two companies soon fell into financial difficulties and called on Congress for further assistance. This time, the legislators' wartime solicitude for internal improvements had decidedly cooled. The men who presided over the public lands committees in 1869 were far more concerned about protecting the national interest and were inclined to reject or amend any bills for transportation enterprises. When they took up the Oregonians' proposal, they added three requirements to the original act of 1866. In order to express their concern with the paramount interests of homesteaders, they required the railroads to sell their grant lands to "actual settlers," to sell only in quarter-section parcels (160 acres), and to charge no more than $2.50 an acre. When a supplementary act was passed in May 1870, providing for a route to the more populated portions of the Willamette Valley in the northwestern part of the state, these requirements were included in it.

The Interior Department was unable to find the document confirming its assent to the state's designation of the Salem company, but its dilemma was soon resolved in another way. One month before President Ulysses S. Grant signed the legislation, transportation wizard Ben Holladay secured control of both companies and forced the Portland-based enterprise to dissolve. The new conglomerate was renamed the Oregon and California Railroad Company and capitalized at twenty million dollars, primarily because of the potential value of the grant lands. A presidential investigating committee duly approved the solution — perhaps on the advice of former Senator Williams, who had become Grant's attorney general.

While fortunate stockholders rejoiced, several eastern legislators questioned whether the grant lands would eventually go to actual settlers. Oregon Congressman Joseph Smith explained to them: "No settler will go there unless this road is built. It is a forest and such a forest as grows only in Oregon." In that observation was the paradox of the agrarian myth in American history: farmers viewed forests as an obstacle to settlement; they shunned treeless areas as not only worthless but infertile and then proceeded to denude the lands containing timber. Joseph Lane, later a senator from Oregon, recalled that the trees he saw as a young man grew so thick that the sun could barely be seen through them even on the clearest day. Would-be settlers, he remembered, assumed that the presence of these large trees marked the most fertile tracts of land.

Increasing interest in public lands in the Pacific Northwest soon focused on the value of the forests themselves. Although the federal government failed to establish effective means to prevent the illegal cutting of public timber, the Interior Department meant to have stumpage sold only from surveyed sections as a means of getting the full value of the land. But loggers and lumber manufacturers worked on unsurveyed lands as well, and instances of trespass mounted far beyond the GLO's ability to detect or arrest them. Indeed, the federal officials who lacked necessary funds were gratified to have land-grant railroad companies advance costs for such surveillance. Because land offices were usually amenable to the pressures of local economic interests, illegal timber removal was often facilitated by federal collusion at the local level. Congress passed the Timber and Stone Act to encourage entry on forested sections of the public domain in Oregon and several other states in 1878; because timber trespasses were so widespread, all such thefts were forgiven (on payment of $2.50 an acre) by an amnesty act passed the following year.

In the decade of the 1870s, the conflicting interests of railroads and government undermined the effect of these patchwork remedies. The right of companies to sell or remove the timber from their patented lands was generally accepted; some local political organizations even petitioned Congress to uphold those practices by statute. Although use of standing timber was essential for railroad construction, separation of title to the land from title to its forest cover remained undefined by law and untested in the courts. Larger railroad companies could afford to sell timbered tracts for farmland prices in order to promote settlement along the routes, but the O & C Company was particularly loathe to sell its grant lands for the requisite $2.50 an acre until the timber, which was already worth many times that amount, had been removed. Neither the company's advertisements nor the literature distributed by promoters informed potential buyers of the statutory limits. "Amazing forests of trees of gigantic growth" waited in Oregon, according to one flyer. Their product "in many instances will reach a million board feet . . . to the acre." Nearby mills with an annual output of twenty million board feet could count on abundant water for power and storage, it claimed, and an unlimited market lay across the Pacific in Japan.

The potential value of its timberlands did not stave off the company's immediate financial problems. Construction southward from Portland had barely reached the state capital at Salem before Holladay began distributing new stock certificates to raise funds. In doing so, he aroused resentment and distrust among investors and rivals and provoked lawsuits in state and federal courts. In frequent communication with Secretary of the Interior Jacob Cox, the financier sought permission to raise the sale price of the lands patented to the company, arguing that both the railroad and the government would profit thereby. At the same time, several eastern congressmen urged the secretary to withhold further patents from Holladay on the grounds that his company had been formed illegally and was not protecting the government's interests. Secretary Cox charitably decided to accept the railroad's land patent maps months after they were officially due. His successor, Columbus Delano, rejected the GLO commissioner's advice to scrutinize the claims after the Justice Department's Williams pointed out that a review of the company's alleged misdemeanors would embarrass all concerned.

Further patents were suspended in 1873 when the railroad company defaulted on its indebtedness some months before the failure of New York financier Jay Cooke brought other transportation enterprises to the same straits. German bondholders who held a majority of credits in these enterprises dispatched their colleague, Henry Villard, to the United States. After meeting with Holladay in Oregon, Villard obtained control of the O & C Company and reoganized it in 1875. Its fortunes improved slowly, and land sales remained slight: between 1871 and 1877 only 323,000 acres had been patented to the company for the 125 miles of the route built east of the river. In 1878, the disposal of 20,000 acres of patented quarter-sections brought in $47,000 — about one-tenth of the company's annual income. In 1880, over $93,000 in land sales constituted less than a quarter of that year's income. Some Oregonians accused the O & C Company of purposely keeping the grant lands off state and county tax rolls and tarred it with the antimonopoly rhetoric being used in other agrarian parts of the nation during those years of "granger laws" to regulate railroads.

An impending link-up with the Northern Pacific Railroad system in 1881 promised to transform the O & C Company's route "from a mere channel of transportation into a part of a great continental thoroughfare." As soon as the track reached the California border, Villard predicted, two million acres in grant lands would be confirmed by the government and annual gross earnings would amount to one million dollars. Perhaps to signify the company's new status, he attached the newly designed Pullman "palace cars" to his trains. Undoubtedly responsive to the boom in timberland operations in the region, the company began selling its patented lands at the higher (and illegal) rate of 200-acre lots for $5 an acre. (Timberland on other private holdings elsewhere in the region was being sold for three times that amount.) In the next four years, nearly a quarter of a million dollars' worth of these lands was sold, less than half of it in accordance with the terms of the act of 1869.

The promise of that income from sales did not prevent the company from running out of funds for construction. In 1883, Villard borrowed money by offering preferred stocks — and perhaps select timberland — to investors, but late in 1884 his own financial firm in New York collapsed and the O & C Company fell into receivership. During the similar crisis a decade before, its officials had presented the Central Pacific's director, Collis P. Huntington, with a choice of funding construction to Roseburg, 198 miles south of Portland, or of taking over the entire company. At the time, Huntington had declined both options. But now that the lumber industry was booming in Oregon, his organization — renamed the Southern Pacific Railroad (SP) — began to absorb the smaller company and its remaining unpatented grant lands totaling 29 million acres. The route was finally completed to the California line in 1887; the following year the company was leased to the SP for forty years. By 1898, the SP owned 99 percent of the company; by 1904, the O & C and six other lines were consolidated to form the railroad's Oregon Division.[1]

FEDERAL INVESTIGATIONS

Such strategems and spoils were routine in the railroad business until the impulse for reform brought Grover Cleveland and the Democrats to power in 1885. At hearings already convened by the public lands committees of both houses of Congress, the counsels of several railroad companies defended what they insisted were corporate rights. The attorney for the O & C Company, John M. Mitchell, did not repeat his associates' insistence that Congress had no power to declare the grants forfeit. As a former Interior agent assigned to examine the railroad's applications for land patents, he knew that the department had not withheld confirmation of O & C patents even though the deadline for completion of the track had passed. Forfeit was not applicable now, he argued, because the line was about to be completed. (It had by then reached Ashland, twenty miles from the California border.)

Mitchell's expectation of continued federal solicitude proved to be correct. The former O & C Company did give up some grant lands on an unbuilt route near Portland in 1885. But forfeiture implied confiscation of property, a concept that was anathema to most Americans in that age of capitalism. Instead, Congress passed legislation in 1887 that ordered the GLO to organize its records on the railroad lands and determine the precise acreage in the primary and indemnity railroad grants. Subsequently, forfeiture was applied to unpatented lands contained in the grants of a few small companies and one large one, the Atlantic and Pacific, in the Southwest. The SP lost a portion of its still unpatented lands in California when Congress declared a summary forfeit of all railroad grant lands in 1890. The government issued no more patents from the Oregon grant until 1893 and 1895.

When several large lumber companies purchased portions of the Northern Pacific Railroad's immense land grant between 1890 and 1900, they set off a boom for speculators. The extent of the timber in western Oregon was exemplified in Lane County, located near the center of the region. At the turn of the century, the government estimated that Lane had "more standing timber than any county in the United States." Three-fourths of its area contained between 28 and 34 billion board feet, most of it Douglas fir. One tract of 5,000 acres, holding 35,000 board feet per acre, was worth $150,000 or $30 per acre. Local businesses such as the Booth-Kelly Lumber Company owned hundreds of thousands of acres of this forest land; and each of its mills could turn more than 225,000 board feet of timber into lumber within a twenty-four-hour period. (Note: Lane County will be used throughout this work to exemplify relevant local conditions and problems in western Oregon.)

The SP began to sell its patented lands in Oregon at a rate only slightly higher than Villard had used. By 1891, 323,068.67 acres were sold for two million dollars — thereby realizing Villard's prediction a decade late. Three years later, the company recognized greater opportunities. A similar amount of land was thereafter offered to fewer than fifty purchasers in tracts of thousands of acres at prices that ranged up to $40 an acre; a sale to one purchaser involved 45,000 acres at $7 an acre.

Although there were no laws governing acquisition of federal timberland as such, means of manipulating general land laws were known to investors and their attorneys not only in Oregon but in Michigan and Minnesota, sites of lumber booms earlier in the century. Federal requirements for land sales were less well known to out-of-state purchasers, and the railroad company declined to inform them of such terms. At the same time, GLO failed to scrutinize sales to speculators who employed alleged "actual settlers" as dummy entrymen. Instead of compiling its own records of grant-land transactions, the agency required the railroad company to resolve for itself any problems of survey errors, conflicting claims, and trespass. Conflict of interest worked both ways: one GLO commissioner in this period of widespread land frauds was Binger Hermann, a resident of Coos County, Oregon, site of forested federal grant lands.

The first national timberlands were established in 1891 when Congress empowered the president to create forest reserves in several western states. Two of them were located in Oregon soon after. When President Cleveland took his authority seriously and enlarged the reserves just before leaving office in 1897, Senator Charles Fulton of Oregon led his western colleagues in denouncing the executive proclamation and securing its suspension. By withdrawing millions of acres of public-domain timberlands from future entry, the reserves (later called national forests) served to inflate the value of timberlands already in corporate hands or still available for individual entry. The heads of railroads and lumber companies in the Pacific Northwest quickly recognized the grand opportunity. In 1902, the SP (still California based, but now controlled by New York financier Edward Harriman) disposed of another 400,000 acres of the Oregon Division's lands to speculators and lumber enterprisers. Evidently anticipating further rises in the market value of its unsold lands, it then halted all sales.

It was precisely the wrong moment for a large corporation to publicly reject the law of Congress (the Act of 1869) in favor of "the law of supply and demand." Oregon was by then a leader in the progressive reform movement that was sweeping the nation. Its legislature was overhauling state and county government operations in order to protect the public interest, and its newly elected representatives were applying rules of equity and efficiency to private as well as public sectors of the economy. Included in this reorganization was a Board of Forestry, created in 1907 with the support of the lumber industry. The issues of railroads and resources in Oregon also symbolized the quest for justice that characterized the administration of President Theodore Roosevelt. In 1903, Roosevelt sent a special prosecutor to investigate timberland frauds in the state. Among those subsequently indicted were former GLO Commissioner Hermann and former O & C Company counsel Mitchell, who had gone on to serve as senator from Oregon. In 1903 and 1906, the president secured from Congress two statutes regulating the financial practices of railroad corporations. In the latter year, he greatly enlarged the national forest reserves, increasing the six in Oregon to over 13 million acres. He also transferred supervision of federal forestry policy from the Interior Department (whose reputation had been blackened by the timber-fraud cases) to Gifford Pinchot, chief of the Department of Agriculture's Forest Service.

Against the backdrop of these events, Oregon journalists scrutinized official records in order to expose corporations, just as their muckraker colleagues were doing elsewhere in the nation. In 1904, for example, the Portland *Oregonian* discovered the "actual settlers" clause in the Coos Bay Wagon Road grant and related it to the O & C grant. During the next few years, a movement developed to rescue the "public interest" from the "tyranny" of railroad monopoly. Invoking comparison with the American colonies' struggle for independence from Great Britain, Oregonians representing diverse economic interests publicized the fact that three-quarters of the grant-land sales since 1894 had been made in violation of the Act of 1869. Many demanded forfeiture of the approximately 2,214,000 acres of unsold grant lands and access to them for both harvesting the timber and farming the land.

The unsold O & C grant was patterned like a giant two-tined fork, with its thick base on the border with California. Few tracts remained in the more settled counties of the northern half of western Oregon. While Multnomah County (Portland) had only 4,285 acres, Douglas County in the southern range had over 650,000 acres. It and five other lower counties contained nearly 80 percent of the grant lands still unsold. Of these, Josephine held the largest amount of untouched forest, Douglas was the most heavily timbered, and Lane was the greatest producer of lumber. Lumbermen of these areas began organizing to protect their own interests; the Willamette Valley Lumbermen's Association (WVLA), formed in 1905, was one of the first. Land-grant counties also began to assess their timber lands systematically.

In February 1907, the Oregon legislature petitioned Congress to enforce the sales provisions of the land grant. Although that was a far more reasonable solution than forfeiture, it merely prompted the railroad to adopt a truculent stance. Governor George Chamberlain confronted the SP's Harriman at a commercial fair that summer and asked how long the suspension of sales would continue. It would be company policy for an indefinite period, the company's president replied. A few months later, he announced that the termination of land sales was permanent. "We will let other people cut the forest," he said. "We will use the ties from their ground and when the time comes we intend to maintain these great transportation lines for those that come after [so] that they may not accuse us of wasting the resources which we had at our command." He did not, however, terminate his claims on the government. In 1908, the company selected some lands from the indemnity area of the grant in lieu of lands included in forest reserves created by President Roosevelt during the preceding two years. Its application was rejected by the secretary of the interior, however, on the grounds that prior reservation excluded such selection. No patents were thereafter issued for these indemnity lands, a fact that would give rise to great contention in subsequent years.

Not all who regarded the railroad with hostility were antimonopoly reformers; some were simply interested in the enforcement of existing laws. That was certainly the preoccupation of Richard Ballinger, Roosevelt's choice as GLO commissioner. A Seattle corporation lawyer familiar with both railroad and resource industries in the Pacific Northwest, Ballinger took up the question of the O & C Company's land policy at the request of Oregon Congressman Willis Hawley in 1907. Could the company be compelled, Hawley asked, by state or federal legislation to sell the land according to the terms of the 1869 act? In response, GLO's chief law clerk, J. W. Witten, acknowledged that the matter was made especially difficult because that act was, in some respects, the only one of its kind and had never been enforced by either the executive or the judicial branch of the federal government. It had, he advised the commissioner, been an extension of the intent of Congress in its land legislation of the time. The original grant embodied the right of the government to resume title for the United States; but forfeiture was legally abhorrent and, because the railroad's belated compliance with the construction deadline had been accepted by the Interior Department, the forfeiture law of 1890 could not apply.

Commissioner Ballinger informed Hawley that although the power of Congress to prescribe terms of land sales could not be questioned, it was doubtful that Congress could enact any law to compel compliance with the 1869 terms. Violations of those provisions, however, would certainly not be sustained by the federal courts; settlers and the government acting on their behalf could seek redress there. In July 1907, the Oregon congressional delegation urged the Justice Department to take some action to that end. In April 1908, a Senate resolution directed the attorney general to pursue remedies in the matter of the former O & C Company lands. Both Interior and Justice dispatched agents to Oregon to examine relevant federal, state, and county records.

Although the legislators insisted on the government's right to require forfeiture, neither they nor the Justice Department meant to exercise that right in an absolute manner. Aware of the mounting protests over federal reclamation and forest reserves not only in Oregon but throughout the West, Justice's response to the Senate resolution contained the pointed assurance that nothing would be done to harm the economic well-being of communities dependent on the mills, working force, and supplies of logging and lumber industries. In September, the attorney general brought suit in the district court at Portland asking for an order of forfeit or forced sale. Joining in that case were representatives of the many "actual settlers" who had applied for quarter-sections of the grant lands by the terms of the Act of 1869.

The railroad company defended its policies at great length. Congress had never been clear or consistent in asserting that the lands were for the benefit of settlers, its counsel said; the railroad could not in any case be obliged to sell the lands at all or act as the government's administrator in making sales. Far from exceeding the terms of the 1869 act, the average price of all company sales had been $2.33 an acre. (The company would later say it was $1.51.) The act had confirmed but did not alter the rights vested by the grant of 1866; in sum, the company's past actions actually served the government's interest as required by law.

The government interpreted history and law at even greater length, but its presentation was designed to fit the contemporary ideals of the era of reform. Describing the Homestead Act as "one of the triumphs of American statesmanship," federal counsel denied that Congress would ever place so much trust in a corporation as to permit it to create a public evil by suppressing the "manifest intent" of the statutory grants. The Congress had been shocked by the transcontinental railroad scandals, the Justice Department's attorney recalled; yet such misdemeanors were continued by the subsequent cutting of timber on the unsold grant lands. Nothing was said about years of inadequate GLO surveillance of railroad land policy.

The federal court deliberated on the case for five years. The direction of its reasoning, revealed in procedural and preliminary decisions during that period, disturbed the hopes of several interested parties. Some lumber companies complained to government officials that prolonged litigation was destroying the credit they needed to make further timberland purchases. That issue was brought to the attention of Congress by former governor Chamberlain, elected in 1908 as United States senator, and by A. W. Lafferty, elected to the House in 1910. The former had been a loyal defender of his state's economic interests at meetings of western governors on federal land and resource policies during the preceding years. The latter had recently advocated return of federal forest reserves to the states. As a GLO agent during the timber-fraud investigations, and as counsel to some of the small holders who had initiated litigation against the SP in 1907, Lafferty claimed to be the tribune of actual settlers when he called for enforcement of the Act of 1869.

Out of solicitude for capitalism or politics, the Justice Department was reluctant to participate in any additional suits involving the Oregon railroad lands while the 1908 case was pending. When attorneys for those who had bought large acreages proposed compromise legislation in 1911, however, officials in both the executive and the legislative branch supported their cause. In April of the following year, the House Public Lands Committee opened hearings on the equities of thirty-six so-called "innocent purchasers" who had acquired railroad land amounting to over 300,000 acres during the period of illegal sales. These petitioners, most of them lumber companies, claimed that they had not been informed by the SP of the sales restrictions of the Act of 1869.

Senator Weldon Heyburn of Idaho remembered that the legal requirements of grant-land sales were generally known when he had been a young attorney in Oregon. Now, he dryly observed, he could not find anyone who admitted knowing about those provisions at the time. Congressman Hawley insisted that the lands would be valuable for agriculture once the timber was removed. Lafferty decried the government's thirty years of indifference toward the railroad's misdemeanors and disputed the innocence of the purchasers. Booth-Kelly Lumber Company of Lane County, he claimed, had obtained huge tracts of timberland when the railroad was given lands in exchange for acreage included in the new forest reserves. (It may also have been interested in the potential mining sites that were then attracting prospectors to southwestern Oregon.) In reply, a Booth-Kelly official warned the committee: "If we do not get this compromise, the first thing I will do when I get home will be to discharge our employees and close down our mills."

Interior's staff took the threat seriously. Speaking for the Justice Department, attorney Burdette Townsend drew upon the knowledge he had gained while representing the government in the federal district court at Portland. In behalf of the public interest and the welfare of Oregonians, he urged Congress to find a solution that would avoid the extremes of forfeiture or outright confirmation of the illegal purchases. Because of the mutual confidences that customarily prevailed between businessmen and government officials, the "innocent purchasers" were assured of success. Booth-Kelly, for example, had been exchanging lands with the Forest Service for years in order that both might consolidate their holdings. It even went so far as to ask Chief Forester Pinchot to appraise the tracts involved. Pinchot offered to outline a policy "for the conservation lumbering" of their holdings if they would adopt such a program, but the company preferred to continue acquisitions instead. By December 1911, Booth-Kelly officials were confident that every member of the Oregon delegation favored the compensation bill. Although Townsend declined to specify the government's stand on the bill, he urged them to see the new Interior secretary, Walter Fisher, and added: "Now, without having committed myself, the fact that I am making these suggestions to you as coming from the Department ought to indicate to you how the Department stands." The company was also pleased to discover that Lafferty's tirades were strictly for the record. In March 1912, its officials reported that the congressman was "very strongly . . . in favor of our bill" and was endorsing an actual-settlers version "just for the sake of the influence this act would have on his constituents." They decided that he was not to be trusted for long, however; a close watch was needed "in case Mr. Lafferty begins making trouble at a later date."

Everyone who mattered seemed satisfied with the act that passed in August 1912. It was, they felt, a practical confirmation of an important segment of land purchases that did not jeopardize the principle of forfeiture with respect to the bulk of the unsold lands. By its terms the large purchasers nominally forfeited their titles in return for the right to repurchase those holdings at $2.50 an acre. (Booth-Kelly thus regained for $2.49 an acre the over 70,000 acres it had bought at $40 an acre.)

Their success came just in time. That same year, former GLO land agent S. A. D. Puter exposed the earlier machinations of his government and business associates in Oregon in a book titled *Looters of the Public Domain*. The Purchasers Act was also denounced in Oregon during the three-way presidential campaign as an example of big-business domination of Congress and the discredited administration of William Howard Taft. In a general way, the issue probably contributed to Oregon's alignment with the successful Democrats at the polls in November.

The election of Woodrow Wilson and a Democratic Congress carried several implications for public-domain policy. The victors professed concern for individual economic opportunity and states' rights and promised to replace the corporate and federal centralism of the Roosevelt–Taft years with a new populist support for the farmer and worker. The new administration quickly demonstrated its awareness of western discontent by appointing Franklin Lane of California to be Interior secretary and Clay Tallman of Nevada as GLO commissioner. According to former governor Oswald West of Oregon, these changes constituted a "reforestation" of the department and a renewal of western hope for equitable treatment.

That hope was somewhat shaken when Judge Charles Wolverton of the federal district court in Portland handed down his decision on the government's 1908 suit. He had evidently meant to resolve the difficult task of separating the historical record from the letter of the law by trying to give a little something to everyone. In July 1913 he decided that settlers purchasing lands patented to the railroad had no prior rights and could not use such a suit to compel the railroad to sell those lands; the railroad was correct in its contention that it was not obliged to be the government's trustee in the disposition of the grant lands. That fact did not, however, alter enforcement of terms of subsequent legislation. Because the company did not adhere to those terms, enforcement was to be applied; once title went to the railroad, the government no longer had the power of disposal, but it could order the unsold land forfeited.

The judgment puzzled everyone and satisfied no one. The railroad saved a million dollars immediately by stopping payment of taxes on its grant lands while all three parties to the case appealed to the Supreme Court of the United States. There was, however, no further doubt that the government had some kind of responsibility for the unsold portion of the grant. Burdette Townsend of the Justice Department urged Commissioner Tallman to establish a patrol of the area and classify the remaining railroad grant lands. But officials in Oregon advised that it would be wiser to leave the problems to the Oregonians themselves. The O & C lands were like any other part of the GLO's public domain jurisdictions, they argued; moreover, a new policy would be expensive. Reasoning much as his predecessors had done, Tallman therefore decided that there was no warrant in law to initiate any new policy until the question of forfeiture was settled.[2]

THE GLO'S ADMINISTRATIVE DILEMMA

The Interior Department was in the uncomfortable position of dealing with forces beyond its control. The tax status of the land in question had not yet been fully defined by the Justice Department, and the Supreme Court was willing to consider the railroad's pleas for further delay. Meanwhile, applications for access to the timberlands piled up at GLO. The district court therefore ordered sales resumed pending outcome of the appeals. Sales were approved out of concern for the area's economy, but they raised the problem of whether such lands were taxable or were still included in the unsold portion. The most aggravating of all continuing problems was that of trespass. Anticipation of federal opening of the disputed lands to entry stirred up a swarm of "adventurers and grafters" (as solicitor Townsend called them); some, like Puter, were the same salesmen who had earned wealth and jail sentences in the Oregon timber frauds a few years before. In February 1913, for example, the Cleveland *Plain Dealer* carried a notice titled: "You are wanted in Oregon." There, it promised, investors would find "good soil, some timber, and plenty sunshine" and could buy 160-acre tracts at a dollar an acre. When one prospect contacted the West Coast Development Company, which had placed the ad, he was informed that he would be paid between $4,500 and $9,000 for the timber on his tract.

Confronted with this and thousands of similar instances of intent to violate federal laws, the Interior Department took no action except to advise prospects that they entered into such sales at their own risk. Nor did GLO seek injunctions in many new instances of cutting on the timber lands. As if to cap the government's reputation for ineptitude, the Justice Department lost some of the decisions in the fraud cases it had initiated before.

Interior handled with similar feebleness the reality that the principal value of the property it would soon have to administer was a perishable resource. The department had lost its foresters when its Forestry Division was transferred to Agriculture in 1905; yet much timberland remained in GLO's jurisdiction on the public domain outside of the national forests. In Oregon, for example, over 400,000 acres of the indemnity grant's odd-numbered sections were intermingled with sections both inside and outside the boundaries of six national forests. Bureaucratic resentments over conflicting jurisdictions had erupted in 1909 when Pinchot tried to discredit former GLO Commissioner Ballinger, who was then secretary of the interior. At the outset of the Wilson administration, therefore, Secretary Lane and Commissioner Tallman cultivated good relations with their counterparts, Agriculture Secretary David Houston and Forest Service Chief Henry Graves. The latter expressed particular interest in the intermingled lands as the dangerous fire season of 1914 loomed. Recognizing that only the Forest Service was equipped for and experienced in fire protection, Lane had Tallman negotiate an agreement with Graves. In Portland, District Forester C. J. Buck took charge of field operations and interdepartmental accounts and used the opportunity to employ skilled patrollers, correct Forest Service maps, and confront trespassers.

The problem of who was to pay for such operations was not so readily solved. The railroad had cancelled its payments to fire-protection associations in O & C counties because of the forfeiture suit; but the associations were unable to bear the cost themselves. (Lane County, for example, would need $3,000 to continue its twelve-year-old cooperative program.) Congressman Lafferty urged the state to assume the cost and thereby strengthen its bargaining position to become ultimate administrator of the unsold lands. Oregon had been paying less than a fourth as much as the federal government for fire protection within its boundaries; it was unlikely that it could suddenly provide the estimated $25,000 that would be needed now. All parties fretted while precious time elapsed. Secretary Lane — tactfully or timidly — waited for Congress to act. A timely appropriation was finally secured by the Oregon delegation.

Another year passed before the Supreme Court handed down its decision on the appeal of Wolverton's rulings. In June 1915, it declared that the unsold grant land (both patented and unpatented, totaling 2.3 million acres) and the timber on it (estimated to be 40 to 50 billion board feet worth $22 to $75 million dollars or between 50¢ and $1.50 a thousand board feet) could be disposed of by Congress within a reasonable time in accordance with such policy as it deemed fitting and equitable, while sustaining the value of that land and resource. The interests of bona fide settlers would thereby also be secured. If Congress did not act within six months, the district court could dispose of the unsold lands and timber. Thus the Supreme Court gave federal legislators a second chance to design a proper policy for disposition of the public domain.[3]

1

“THE MOST CONSPICUOUS DEFECT”

1916–1930

By the time Congress reconsidered its policy for the public domain in the Oregon railroad grant-lands case, the national mood for reform had shifted away from populistic antipathy toward big business and a solicitude for states' rights. By 1916 the Democratic Congress and the Wilson administration were assuming a stewardship for what the president called "public needs," endangered by corporate indifference or neglected by impotent local government. Because the Oregon lands were a small and complicated matter about which most federal legislators had neither opinion nor understanding, Congress turned to Oregonians and the executive departments for guidance. From these sources they received a variety of recommendations.

Federal Responsibilities

So much time had passed since the Wolverton decision that GLO Commissioner Clay Tallman found it necessary to refresh Interior Secretary Franklin Lane's knowledge of the problem. The principal point made by the Supreme Court's 1915 ruling, Tallman explained, was that the Act of 1869 was an enforceable contract and the railroad's failure to carry out its terms afforded a proper basis for forfeiture. But the timbered nature of the unsold lands insured that the immediate beneficiaries of any disposal program would be speculators of every kind. Tallman did not believe that Congress could do anything that the SP did not approve of, but he thought that the million dollars in accumulated unpaid taxes would provide the most compelling force to bring the company to some agreement. In keeping with the view he had expressed two years before, he contemplated no policy for the O & C lands other than that which would be indicated by Congress.

In contrast to Interior's vague and hesitant view of the matter, Forest Service officials saw that the legislation would offer a great opportunity: it would be the last chance for the government to take hold of such a large acreage and arrange for its use without repeating the blunders of the past. At the time of the Wolverton decision, Oregon District Forester George Cecil told his superiors: "I think it should be the government's policy to see that all the land is put to its highest permanent use."

Aware that state foresters were proposing schemes for immediate access to and cutting of timber on the unsold lands, other Forest Service officials recognized that proper federal management would be seriously undermined if priority were given to revenues and taxes. For that reason, they pressed the idea of generously quieting both the railroad's and the counties' equities by congressional appropriation and payment of lump sums to all of them. Thereafter, a first step in bringing the lands under Forest Service regulation, protection, and sales policies would be the addition to their jurisdictions of an estimated 300,000 acres of O & C lands that lay within the boundaries of the national forests. In Lane County, for example, an estimated 400 million board feet of O & C timber were intermingled with the Cascade, Umpqua, and Siuslaw national forests. In view of the fact that those odd-numbered sections were identical in natural features and timber cover to the adjacent even-numbered sections, it would be absurd to administer them separately. Assistant Forester William Greeley expected that there would be local opposition to such a transfer. But if a constructive program was presented to the people of Oregon — one embodying Forest Service policy of sales in response to legitimate markets, payment of 25 percent of receipts in lieu of taxes, and immediate opening of agricultural lands to entry — he believed that the people of the state would support federal ownership and classification of the lands in question.

Forest Service expectations of support were based upon an investigation of the lumbering economy of Oregon by its staff in the period after the district court decision of 1913. The boom in lumbering, accompanied by extensive waste and burning of low-grade timber, had ended in 1908; since then both purchasers and the 60 percent of the region's labor force involved in the industry had been affected drastically. Many observers believed that years of overcutting and double-shift working hours at the mills had resulted in doubling the costs of stumpage, while carrying charges for fire protection and taxation pared away profit margins. Eastern capital was drying up and indebtedness was draining capital from the state. Moreover, the increased use of cement in construction and the persistence of speculation had contributed to the uncertainties of the lumber market. Operators consequently found themselves at the mercy of creditors.

Prominent foresters, such as A. F. Potter of the Forest Service and E. T. Allen of Medford, joined with bankers in and beyond Oregon to verify these facts in testimony before the Federal Trade Commission in 1915. Retail timber sales had declined by a third in two years, they claimed, and timber had been sold at a price that brought in half the previous return. At the same time, desperate local governments were increasing taxes with "unabated zeal." Conflict between government policies was "particularly harmful." In the words of Forest Service Chief Henry Graves, the lumber industry in Oregon had been "cursed by too much timber obtained too cheaply from the public lands." To add the O & C lands' 46 billion board feet to that situation, he argued, would greatly increase the burdens of both the industry and the state's economy.

Consideration of these economic conditions produced suggestions for salvation that were very far from the response anticipated by the federal foresters. Soon after the Supreme Court's decision in the summer of 1915, a special committee of the Chamber of Commerce in Eugene, county seat of Lane County, held a series of emergency meetings. Its chairman, State Senator L. E. Bean, was alarmed by the suggestion that the lands in question should be added to federal forest reserves. Agreeing that "it is all important to Oregon that a sound, practical, business-like plan" be submitted to Congress, the members issued a call for a meeting in Eugene to draw up a plan that would elaborate such sentiment. Thereafter, delegates went to Salem to consult with Governor James Withycombe. The Portland Chamber of Commerce also urged the governor to issue a call for a conference. Withycombe personally advocated turning over the unsold O & C lands to the state legislature for disposition, but he made no such suggestion when he issued invitations to the meeting.

In mid-September, 150 delegates representing state and county governments, trade and professional organizations, and farm and labor associations assembled in the chambers of the House of Representatives in Salem. Participants, refreshed by loganberry punch and wafers provided by the ladies of the local commercial club, engaged in several days of speeches and discussions. Hoping to avoid any partisan implications, they meant to agree upon a recommendation to Congress for remedial legislation. The restrained, generally courteous nature of their remarks reflected the governor's word of caution that they must not say anything that might reflect upon the dignity of the federal legislators lest they thereby injure Oregon's case.

Most of the delegates represented the prominent economic interests of the state. (At one point spokesmen for farm and workers organizations charged that they were being used by the majority as a "coverup.") They understandably devoted a good deal of rhetoric to the cause of development and growth of the state's economy and evoked the image of the pioneers who had settled the country. But the main concern of those present was the interrelationship between timberlands and taxes. Unable to attend the meeting, Graves sent a letter that emphasized his agency's concern for county equities. But he noted that timberland required "different treatment": treatment that private ownership could not provide. Several speakers denounced his proposal to put part of the O & C lands into national forests and were cheered by the assemblage. The implication that the lands could never be settled, one state senator observed caustically, was like Congress' earlier opinion that the whole Pacific Northwest could never be settled.

Responding to comments about the equities of the railroad and the counties was Oswald West, whose recent administration as governor of Oregon had been one of the most progressive in the nation. In addition to creating a state park system, his legislature had enlarged and strengthened the work of the Board of Forestry. Although that agency was a likely alternative choice to administer the grant-land forests, West concentrated his remarks on what he called the equities of the people of the whole state. The ubiquitous demand for opening the lands to settlement at an early date, he thought, played into the hands of the railroad and the speculators. Indeed, less than a half-million acres of the unsold area was suitable for settlement. Whether the state administered the O & C or federal bureaus did so, he believed that the timber should be cut and sold to benefit such public interests as schools, roads, and irrigation projects.

More than any other participant, Lane County's Bean expressed the sense of the meeting. The people of his area were not antagonistic to forest reserves or even to public ownership of timberlands, he asserted, but they had had enough of them already. Because of O & C lands and national forests, 40 percent of the people there were carrying 60 percent of the tax burden. The only way to solve the mounting indebtedness was to make the unsold grant lands immediately subject to sale and lumbering. Congressman Clifton MacArthur, representing the district that included Lane County, added that he favored "a rational system of conservation . . . of preserving this timber," but presidents and Congresses had gone too far in that direction. The county's Port of Siuslaw, for example, was "practically destitute" because of federal reservations of timberland. Former Senator Fulton predicted that all government resource withdrawals would ultimately be judged unconstitutional and said that in any case he favored men and women over trees and forests. Referring to a recent migration by Americans to Australia, he added: "I prefer to export lumber. . . ."

The SP's counsel, P. F. Dunne, vigorously objected to a cartoon image used in a local Portland newspaper that depicted the meeting as a struggle between the railroad and the public. Instead of menacing the state, he promised that the company would meet with its spokesman "like two gentlemen" and find some *modus vivendi*. (West remarked dryly that Dunne was "the only man in the world that could make a speech on behalf of the railroad company and make his audience cry.") Fulton and several other delegates urged their colleagues to trust the railroad because its offer was apparently the quickest and least federal way of gaining access to the lands and taxing them. But another delegate from Lane County protested that if Congress failed to act in time, "we will be left to the tender mercies" of the SP. Former Congressman A. W. Lafferty had another suggestion. Representing his own Land Grant Enforcement Association, he declared that the Oregon congressional delegation should filibuster any legislation until the deadline had passed, so that the courts could exercise their option of selling the lands according to the original grant terms: to "actual settlers."

When Commissioner Tallman addressed the conference, he described the issue as "a business proposition to be approached by businessmen in a business way with a view both to the future and to the present. . . . We have to compromise." He assured the delegates that Secretary Lane was willing to meet with the railroad and representatives of the state and do just that. Tallman urged the conference members to think about what would be done with the lands after title was settled. "I believe that the main object we want to accomplish is to settle all these lands as quickly as possible and get as much money as we can out of the timber." But he added a condition in disarmingly general terms: "Far and away above any money income you can get from these lands," the greatest purpose would be "to bring about the very highest and best use of them" as quickly as possible. Members of the conference undoubtedly concluded that the GLO, like the Forest Service, had a priority shared by few Oregonians.

The resolutions adopted by the meeting were no less diverse than the remarks made there. One maintained that the state should pay what was owed to the federal government; anything over $2.50 an acre belonged to its people and not to would-be settlers from other states because there were "not enough public timber lands to go around." Sale without classification was favored to speed up enforcement of the original grant. Some anti-railroad sentiment was also expressed, but the statement opposing transfer of O & C lands to the national forests received the broadest support. Significantly, however, Bean's vote carried West's recommendation for a joint consultation between state and federal officials to place administration of the unsold lands under the jurisdiction of the State Land Board.

That solution was supported by several local newspapers. The Eugene *Register-Guard* viewed the Supreme Court's decision as a victory for Oregon and an encouraging response to the state legislature's petition of 1907. Federal lands occupied 50 percent of Lane County's area; in some school districts, half of the taxable property was O & C lands. Sale of the millions of dollars of timber would therefore mean "more money for schools, better schools and more children to attend them." The editor agreed with the *Tribune* of Medford in Jackson County: "It is up to the Oregon delegation in Congress to see to it that the property is not tied up in non-taxpaying forest reserves, but that the state resumes the property to sell to actual developers." Oregonians' preoccupation with the fiscal aspects of the grant lands may have accounted for their failure to push the claims of the State Board of Forestry as the proper and effective manager of the grant-land forests. Instead of the confusion of local suggestions, congressional public lands committees shaped the proposed solution to the O & C question.

Reporting on the conference to Secretary Lane, Commissioner Tallman maintained that the delegates were controlled by the railroad and special economic interests and had offered little that would benefit the state's development apart from West's proposals. Graves's letter, he noted, was viewed as representative of all federal agencies and had aroused intense opposition. Dunne's assertion that the railroad had a right to cut the timber from its unsold grant lands shocked Tallman. If that were done, he worried, the government would not have won very much in the recent court decision. When Oregon's progressive-minded Senator Jonathan Bourne tried to work out some compromise, the SP coldly rejected his efforts. After the treatment accorded it by the Roosevelt and Taft administrations, the company expected no better at the hands of the Wilson Democrats. On the other hand, Albert Johnson, newly elected congressman from Washington State (where there were 200 acres of O & C land), tried to extend the benefits given the "innocent" purchasers in 1912 to settlers who had applied for 160-acre tracts in the grant. Forest Service officials anxiously advised the chairmen of the public lands committees that passage of such a bill would be the opening gun for a horde of speculators.[1]

THE CHAMBERLAIN–FERRIS ACT

Early in 1916, Senator George Chamberlain introduced a revestment bill and Scott Ferris of Oklahoma, chairman of the House Public Lands Committee, added his own name in order to strengthen chances for its passage. In preparation for committee deliberations, Ferris asked the Interior, Agriculture, and Justice departments to submit information and recommendations. These were to be made in confidence and not publicized, he cautioned, lest they provoke criticism and hinder the committee's actions. Officials of the GLO and the Forest Service consulted together and exchanged correspondence in order to present a common position. The former still deferred to the latter on matters of timber and lumbering statistics and details that had to be considered for any disposition policy. Among themselves, however, the officials of the Forest Service were disappointed with the Chamberlain–Ferris bill. In its preoccupation with payments of the debts and taxes instead of forest values, they thought, it took care of the present at the expense of the future.

What was really needed, Graves told Gifford Pinchot, was "a few simple principles to be followed . . . giving the Executive Departments a certain amount of discretion in fixing the rules [for forest protection] under special conditions in any given case, subject to the general principles laid down" by the legislation. Graves happily noted that GLO agreed with him on several points. Non-timbered, agricultural land should be opened to homestead entry as soon as possible, and public ownership of non-agricultural lands should be continued. The seriousness of economic problems in the Oregon lumber industry argued against putting any more high-priced capital into stumpage holdings. Provision, therefore, should be made to insure that O & C timber would be logged and used under regulations that would reflect the prevailing market.

Secretary of Agriculture David Houston sent Graves's recommendations to Senator Henry Myers of Montana, chairman of the Senate Public Lands Committee. He urged Myers to confer with Secretary Lane on an additional provision that would regulate the cutting of timber "from lands [that would] . . . always be chiefly valuable for the production of timber"; that is, the government would insure that such lands would always be used for that purpose by administering a program designed to keep them that way. (Here was the seed of a concept that would later be called "sustained yield.") Several members of Congress favored the inclusion of O & C lands within the adjacent national forests, but Graves reluctantly acquiesced in advice from the Agriculture Department's solicitor that such inclusion would endanger passage of the bill and might cast doubt on the validity of subsequent legislation for the reserves.

Oregon's economic interests were also cited in the recommendations made by Attorney General Thomas Gregory. Like Graves, he relied upon information compiled by an agent. S. W. Williams had talked with federal, state, county, and private individuals in Oregon (including former GLO Commissioner Binger Hermann) and had examined the O & C forest at several places. He was greatly impressed by what he saw and heard. "I was made to realize," he told Gregory, "how much a wise and just settlement of the matter means to the people of western Oregon, who have suffered from the improper administration of this land grant and the litigation resulting therefrom; and in my judgment, theirs is the interest most deserving of consideration." The checkerboard pattern was the principal obstacle to access, men in Lane County had told him. Lumber mills had closed and companies had declared bankruptcy, while half of the standing timber was "so over-ripe as to be worthless." As a result, many citizens felt that their condition would have been better if the federal government "had never interfered in the matter" of grant-land sales. Believing that the recommendations of the Salem conference were of "little or no weight," Williams condemned its proposed application of the Timber and Stone and Homestead acts as a subterfuge for fraud that would assure ultimate monopoly by lumber companies. Williams concluded that the land "must inevitably be owned or controlled in large quantities before it can be successfully operated"; but obviously such disposition should be in the public interest.

Unfortunately, Justice officials did not define that interest or rely on Forest Service definitions of it. In his letters to Senator Myers and Representative Ferris, Gregory incorporated Williams' recommendations that the timber be sold by sealed bids to the highest bidder for cash; 35 percent of the receipts should go to the railroad, 40 percent should go to the eighteen counties for schools and roads, and 25 percent should be retained by the federal administering agency. He recommended that the Chamberlain–Ferris bill's generous payment to the railroad be pared down and in effect cancelled Graves's proposals by leaving determination of disposition and use of the lands to the committee chairmen.

In reply, Ferris noted the depressed economy in Oregon and continued speculation in anticipation of new legislation. Taking up the "tremendously difficult" task of bringing all facts, needs, and requirements together into a bill acceptable to all interests, he first considered the diversity of suggestions offered during the committee hearings. Some Oregonians asserted that receipts from sales in lieu of taxes should be paid not to the railroad but to the federal treasury. The lumber trade, others maintained, would best be aided if the money were used for ports instead of reclamation projects that would build up the eighteen counties of eastern Oregon at the expense of those on the western slope. The editor of the Salem *Capital-Journal* agreed with Congressman MacArthur that the bill was "perhaps as good as any that can or will be offered," but the Eugene *Register-Guard* complained that Congress was either "asleep at the switch" or "fixing up political fences" by taking back its land grant "like an Indian." Those who defended the bill, another editorial observed, were saying that "the king can do no wrong." Did the Interior Department intend to use back taxes as a club over the heads of the eighteen land-grant counties until they waived their right to tax O & C grant lands in the future? Congress was also seen as exceeding its authority in reassuming the unsold lands. It was delaying repayment of taxes and devaluing the tracts by separating timber from them. Some Lane

County men proposed the formation of a federation of O & C counties to deal with the problem. Before that was done, however, in May 1916 Congress made its decision.

The Chamberlain–Ferris bill passed the House with six votes against it (including that of Representative Johnson of Washington). Soon afterward, the Senate approved it, and President Wilson signed the act on June 9. The statute was essentially a set of fiscal arrangements. All money received from sale of unsold lands and timber whose title was revested in the government was to be deposited in an "O & C Land Grant Fund" in the Treasury. The first priority for use thereof was payment to the railroad at a rate of $2.50 an acre less previous credits determined by the courts. (This amount was later determined to be $4,102,215.) The second priority was reimbursement to the Treasury for the payment by the government to the counties for taxes owed by the railroad during the three years of litigation, 1913–1915. (This amounted to $1,571,044.) Finally, any remaining money in the special fund was to be distributed each year according to a formula of 25 percent to the state, 25 percent to the counties, 10 percent to the Treasury fund, and 40 percent to the federal Reclamation Fund. (The last provision may have reflected current western enthusiasm for that variety of conservation.)

Instead of responding boldly to the opportunity for establishing public management of the O & C timberlands, the act merely placed responsibility for determining their use with the secretary of the interior. In consultation with the secretary of agriculture, that official was to classify the revested acreage as agricultural lands, power-site lands, and timberlands. (The latter category was defined as any forty-acre subdivision containing more than 300,000 board feet.) He would then determine the manner of sale of the timber without including title to the land, sell the timber at a rate that would show concern for the local lumbering economy, and thus make it subject to state taxation. Every detail of public management that Forest Service officials had examined and resolved out of their own concern for the use of the timberlands would thus depend upon the administrative decisions of their rivals in the Department of the Interior's GLO.

These arrangements provoked widespread criticism in Oregon. The SP and its investment institutions immediately brought suit charging that the law was unconstitutional. (The Supreme Court later rejected this and all other such contentions.) In a flurry of newspaper advertisements and letters to federal officials, A. W.

Lafferty damned the provisions as a "nefarious" violation of the Supreme Court's decision that the land grants were enforceable contracts. The Act of 1916 was "rotten to the core," he claimed, because it seized lands that were no longer in federal title and withheld them from "actual settlers" except under new terms that were not in keeping with the democratic philosophy of the homestead laws. It was, he concluded, the work of a "conspiracy of Pacific Coast timber thieves."

The chambers of commerce of Portland and other communities protested that Congress had violated the sovereign rights of the state and had exceeded its constitutional authority in revesting the lands, which were really private lands subject to taxation. They claimed that the act provided a formula and terms for payment of taxes that were inequitable and inadequate to meet present or future tax burdens. Eugene businessmen concluded that the "plain and unquestionable purpose" of the measure was "to create and force upon the people" of the counties "an additional gigantic forest reserve under the guise of a settlement and sales act." Their chamber of commerce again called for the formation of "a permanent federation" of the eighteen O & C counties "to keep the revested lands on the tax rolls" and for "the immediate protection and mutual advantage" of those counties. Several months later, Senator Bean introduced state legislation that would solicit federal payments in lieu of taxes for county road construction in Oregon instead of reclamation projects in the arid states of the Southwest. The measure did not pass, perhaps because the O & C counties decided to retain their right to allocate the funds.

These alternatives would be the subjects of subsequent revisions of the Act of 1916, but they cannot be viewed as evidence that local understanding was more enlightened than that of the federal government. Out of economic expectation or desperation, most Oregonians wanted a quick and simple solution to satisfy parochial views and needs. A comment made by Bean revealed that they had no patience with the concept of federal stewardship of public needs:

> Within a comparatively recent time a school of economic thinkers has grown up in the eastern part of this country, and the disciples of this new school of thought have concluded that new ideas must control the administration of the public lands, and without giving the people of the Western States a hearing, they have abrogated to those departments of the Federal Government in which they happen to be, for the time being, the officers, the right and power to draw a line around the remaining public domain within this and other Western States, and to deny to these states

> the right to make provision for the proper growth and development of this great western empire. They have, by this policy of so-called conservation, declared that the West must grow and develop if it grows at all, on such lines, under such conditions and with such permission as the Federal Government shall prescribe notwithstanding the solemn declaration by Congress, in the Act admitting Oregon into the Union.

Congress and its advisors in the executive departments had discharged their responsibilities with a higher vision, one that was practical if necessarily complex. The diverse interests of the railroad, the state, and the counties, and the hopes of speculators and "actual settlers," could only be met by blanket assumption by the federal government of debts past and future. While the timbered value of the revested lands provided the source for that payment, the act recognized that federal management of those timberlands was at least administratively wise.[2]

PROBLEMS OF IMPLEMENTATION

The 1916 act was only a framework of mechanisms for carrying out the "manifest intent" of the Supreme Court and Congress. It was an especially large uncertainty for the Interior Department. While the SP and many Oregonians pressed for revocation of the new statute, Commissioner Tallman was determined to implement its mandate until prevented from doing so by proper authority. He promptly submitted instructions to the GLO's cadastral engineer in Portland, Ernest P. Rands. Using the initial congressional appropriation of $100,000 and maps made in 1900 as a starting point, Rands hired surveyors, timber cruisers, and supporting personnel and dispatched them across nearly a million acres of the revested lands. In many cases their camps were so isolated that the few available motorized vehicles had to be supplemented by horse power. Because much of the land to be examined was intermingled with national forest sections, Forest Service cooperation was not only required by the statute but essential as well. Tallman and Graves quickly devised a plan whereby operations in the indemnity-lands area would be carried out jointly. The GLO's agents also examined the records of the SP's land office in San Francisco and the tax rolls in the courthouses of the land-grant counties. They found errors and omissions in those sources but were embarrassed to learn that their own survey of 1900 was badly flawed: in one instance a tract said to contain four million board feet of timber actually held only a million.

Tallman was ready to execute what he described as Congress' "evident purpose" to encourage the retarded lumbering economy of western Oregon. Circumstances were greatly altered in April 1917, however, when the nation mobilized for war. In order to meet the sudden demands for lumber to be used in emergency construction, the federal government took the extraordinary step of organizing segments of the industry in the Pacific Northwest into a Loyal Legion of Loggers and Lumbermen. When the lumber market in the region responded with an increase in applications for access to public forests, Tallman pressed Secretary Lane to open more O & C tracts. Supervisor Rands, concerned with the equities of Oregonians, declined to waive careful consideration of each application just to make quick sales.

Viewing the checkerboard pattern as an obstacle to logging, Lane asked Congress for legislation to consolidate the O & C lands in order to facilitate sales while timber values were high. Congress, preoccupied with the complexities of many other wartime programs, did not respond, but local speculators took quick advantage of market conditions. With the claim that the Interior Department would not pay interest on the taxes owed to the counties, several former GLO agents distributed thousands of solicitations to attract investors. Assuming that the government was eager to encourage O & C land exchanges in order to consolidate its acreages, these promoters promised potential buyers better terms than they could get in exchanges with the Forest Service. Some lumber companies (such as Booth-Kelly) remained wary, noting that the promoters failed to follow up their schemes with effective programs. When the war ended in 1918, only one such exchange had been completed. The promoters nevertheless continued to believe that there was "a mint of money" to be made in both O & C and Forest Service exchange legislation.

O & C lands' timber sales officially began in September 1917, after the classification program was well under way. Rands's office placed notifications and descriptions in three local newspapers, two of them located in counties in which the sale timber stood. Public auction followed and the highest cash bidder received both a contract to cut and a patent to harvest the timber within ten years. (In actual practice, the bidding was not competitive. A federal official would later recall that between 1916 and 1938 there was only one instance of competitive bidding at the Roseburg office in Douglas County. It resulted in a brawl between the two competitors and reduced the Land Office to a shambles.) GLO employees also inquired among local lumber companies to learn what they would be willing to pay for timber on other O & C tracts if it were offered for sale thereafter.

Survey and classification of most of the primary grant lands continued until late 1919. Thereafter, field work concentrated on the indemnity sections. The enormous task ultimately cost about $25,000 plus salaries for the field force and for Rands and his half-dozen assistants in the Portland office. In the course of their work, they compiled many thick volumes of statistics that revealed the O & C lands were overwhelmingly supportive of timber growth; less than 20,000 acres were classified for agricultural purposes and even fewer for water-power sites. Additional acreages from quarter-sections holding less than 300,000 board feet of timber were restored to homestead entry during the next few years, along with a few waterpower sites.

Once GLO agents were experienced enough to complete classification of the indemnity lands, Tallman abandoned his initial cooperative plan with the Forest Service. That agency continued to protect from fire the third of the O & C domain that was intermingled with or adjacent to the national forests, but GLO paid nearly half the cost incurred by the Oregon State Board of Forestry for fire-protection programs administered in cooperation with local associations of county officials and private forest landowners. In 1919, Tallman also eased some initial requirements in O & C sales policy to meet the needs of the lumber industry, which had followed the national economy into a depression that year. After consulting operators, he decided that GLO could save time and effort during transactions if prospective bidders were given access to federal appraisal information.

Supervisor Rands administered essentially these same sales and protection policies for twenty years. They were ineffective from the outset. One hundred six million board feet were sold for $147,000 during the war year of 1918, but only half that amount was disposed of during the depression years of 1919 and 1920. Although sales increased markedly during the next four years, the Treasury's O & C Fund received less than three million dollars in receipts. Because of the railroad's prior claim, none of that sum was available to pay the one and one-half million dollars owed to the counties in lieu of back taxes. (Lane County was owed $276,999.76.) Interior chose former governor West as its agent for administering the payments and designated county sheriffs to disburse federal warrants. Only the money itself was missing.

In 1919 also, Congress tied up a loose end of its previous work. It reconveyed the remaining 93,000 acres of Coos Bay Wagon Road grant lands (CB) to the government. As in the case of the O & C, that grant had been voided by one company's illegal land sales. The acreage contained an estimated 3.6 billion board feet of timber worth two and one-half million dollars. A small part of the CB lands was intermingled with national forest reserves. Congress also established a provision for distributing to the counties 25 percent of the receipts from CB timber sales after repayments were made to the Treasury. (The word "reconveyed" and the 25 percent portion may have indicated the legislators' solicitude for Oregonians' continued objections to the implications of the term "revestment.") Twelve thousand dollars was appropriated so that Rands could classify these lands; when the work was finished, he had nearly $400 left over. CB timber sales were begun in September 1919 under the terms of the 1916 O & C Act. Transactions were few, however, and never accounted for more than a small percentage of the income from the O & C lands.

GLO also considered applications for water-power and grazing rights, and in 1922 Rands urged his superiors to open nontimbered lands to agricultural entries. The old agrarian hope was also revived when Senator Reed Smoot of Utah proposed opening more of the O & C lands to such entry. Tallman successfully discouraged the effort on the grounds that it would disrupt the source of payments to the Treasury. Not enough time had elapsed, he reasoned, to determine whether the lands or receipts could be used for purposes other than those designated by the 1916 act.

The original purpose of the Act of 1916 seemed to be receding in congressional memory, but it was not forgotten by several men in the Forest Service. In 1920, after observing the disappointing results of GLO administration of the O & C lands, they used the occasion of a letter from Tallman to complain of the "utterly illogical" differences between sales and cutting policies on their own even-numbered sections and the adjacent odd-numbered O & C portions of the indemnity grant lands. Their initial hope for jurisdiction over those lands had been encouraged by land-exchange legislation passed in May 1918 and by an act of February 1920 that added certain O & C lands to three national forests for the protection of watersheds of four communities. But they realized that whittling away at Interior's domain would not solve the larger problem of the 1916 act's shortcomings. With GLO's timber sales and receipts obviously inadequate, these Forest Service officials thought this might be the "psychological moment" to press for transfer of all 472,000 acres of O & C indemnity grant lands.

In intra-agency correspondence, Forest Service officials criticized two aspects of the GLO's administration. First, its sales contracts made no provision for slash disposal and fire protection, and its ambiguous response to applications from local stockmen seemed to create "conditions approximating the old grazing feuds." Second, the GLO allegedly permitted destruction of a great amount of timber that was valuable for seeding on lands classified as agricultural, merely because they held less than 300,000 board feet per forty-acre subdivision. (In Lane County, the Forest Service estimated that acreage holding over 387 million board feet worth $390,352 had been so classified.) In order to meet legal requirements for improving homesteads, settlers were burning off that timber. Local wardens were loathe to arrest the farmers, because they were acting within the law. Moreover the adverse terrain and harsh conditions of much of the so-called non-timbered land caused 75 percent of the homesteaders ultimately to abandon their holdings.

The coming of the Warren Harding administration in 1921 further marred the relationship between the two bureaus. With the lumber market depressed, GLO seemed to be nothing more than a holding company for the revested lands, occasionally making exchanges under the Act of 1918 as part of its continued effort to block out O & C boundaries in order to form compact logging units. In doing so, however, it saw no reason to ask the approval of the state of Oregon or consult with the Forest Service. The old Lane–Houston accord between the two departments gave way to the undisguised hostility of Albert B. Fall, the new interior secretary. Complaining that timber was rotting on the public domain because of the continuing influence of Gifford Pinchot, Fall planned to ask the president to transfer the Forest Service back to Interior. Assistant Secretary E. C. Finney supported him, but other bureau chiefs opposed the move.

When Fall resigned in 1923, Forest Service officials breathed easier. Soon afterward, the men at Interior apparently hoped to restore some measure of harmony between the two departments. In that new climate, the Forest Service asked GLO about the status of the O & C indemnity lands in light of a recent court decision. Finney replied that the railroad had never made selections from the indemnity areas. The 1916 act provided that further congressional legislation would be needed to resolve such administrative questions. Until it did so, he agreed to existing Forest Service administration. William Spry, the new GLO commissioner, agreed with Finney's interpretation and Interior officials reiterated that judgment in response to another matter in 1925.

Choosing to regard the Finney opinion as official assurance, Forest Service officials set out on what Assistant Chief Forester Leon Kneipp called "a definite acquisition program." Their immediate goal was the absorption of the O & C lands intermingled with the national forests. Anticipating that the task of obtaining the sections beyond the national-forest boundaries would arouse more opposition, they decided to wait until they had won the "inside" lands before trying to get those "outside" as well. In preparing a proposal for the transfer, they anticipated approval in Congress, if not in Oregon and GLO. As one reasoned, members of the public lands committees would surely support the "rescue" of these areas from the kind of policy that had resulted in the devastation of timber in northern Michigan in the previous century. Forest Service expectations focused upon Senator Charles McNary of Oregon, chairman of the permanent subcommittee on Department of Agriculture appropriations and of the new Select Committee on Reforestation. From the time of his participation in the Salem meeting of 1915, McNary had worked for the improvement of forestry and lumbering through federal action. Concerned that depletion was outstripping consumption, he pushed through the Clarke–McNary Act of 1924 and other legislation establishing cooperative reforestation, protection, and research for federal timberlands.

McNary and his constituents were undoubtedly motivated by Oregon's tremendous potential as "the most important lumber manufacturing state in the Union." In 1922, it had nearly a third of the merchantable timber of the Pacific Coast states and one-fifth of the standing timber in the nation. Most of its 452 billion board feet were west of the Cascades, an amount estimated to last for 100 years at the then current rate of logging 100,000 acres a year. The logging–lumber manufacturing industry circulated $75 million through the state's economy each year. Experts predicted that if the annual timber cut were increased five and one-half times, it could bring in $412 million within a seventy-five-year period. Almost a half-billion board feet were ready for cutting whenever the market could absorb the timber. While most of that would be taken from private holdings, it was obvious to foresters and lumbermen that federal forests would become increasingly important.

Intending to take advantage of the momentum of McNary's work, William Greeley, now Forest Service chief, briefed him on the specific problem of the O & C lands. The "variation in principle and procedure," Greeley asserted, "and the lack of unity of purpose" in federal administration of forest properties in Oregon were, taken together, "the most conspicuous defect" in the existing arrangement. The acts of 1916 and 1919 made no provision for "sustained and permanent realization of the value of the land for timber production"; they carried "no specific or implied obligation" to preserve potential capacity for timber growth; and they provided no requirements that would prevent "conditions hazardous for the future use of the lands for forest purposes." Instead, Greeley claimed, those measures proposed to liquidate the properties as rapidly as possible. GLO's permits for logging operations on the land perforce reflected that same purpose: the realization of existing values. It was "highly improbable" that cutover lands would attract private interests either for agricultural purposes or for timber production. The cost and effort of reclaiming them would have to devolve upon state or federal governments. As a result, Greeley concluded, there was "neither control, security of tenure, nor revenue."

He proposed that his agency apply its own sales policy and logging regulations to a portion of the O & C/CB lands. The Forest Service would also pay the eleven counties in which the indemnity lands lay nearly two million dollars by drawing upon the 25-percent revenues of all national forests. Payments would be made promptly, a stable revenue would be guaranteed, and the sale value of the timber would be perpetuated and developed. Forest Service administration would thus contribute to the region's economy while applying the best standards of federal land ownership and forest management.

There was nothing clandestine about these recommendations. Secretary Wallace urged McNary to consult with Secretary of the Interior Hubert Work about the transfer proposal. Indeed, GLO suspended all timber sales on O & C lands pending enactment of a uniform disposal law, but numerous protests from Oregon caused officials to open sales to those lumber companies already operating on the lands. In 1925, the Forest Service plan was considered in congressional hearings on the broader subject of federal forests. Among those who testified was Logan Chamberwell, Oregon's deputy state forester. The purpose of the Interior Department's administration of the O & C lands was simple, he claimed: "to get the wreckage value of that timber, to get the money out of it." As a result, slash was left behind to become a fire hazard. State fire-protection standards would be applied to operators on those lands, he held, only if they were administered by the Forest Service. Replying to these charges, a GLO inspector stated that his agency's sale contracts did provide rules for hazard reduction. To be sure, Finney had already directed the GLO commissioner to instruct his staff to follow up on purchasers to see if they were complying with slash burning regulations.[3]

THE STANFIELD ACT

Disgruntled Oregon stockraisers also testified at the hearings. Their industry had declined by 50 percent since 1919, one claimed, because the federal forests were generally inaccessible to grazing. Out of a concern for their interest, the state's other senator, Robert N. Stanfield (who was up for reelection the following year), proposed legislation that would provide extensive access for Oregon graziers. Unable to get sufficient support for the idea, he then took up an issue that commanded the attention of many more of his constituents. In April 1926, the public lands committees of both houses of Congress opened hearings on his bill to relieve the economic distress of the eighteen counties whose taxes were still unpaid from the O & C Land Grant Fund.

Stanfield specifically proposed granting the eighteen counties over seven million dollars at a rate of one-half million dollars a year. Less than three and one-half million dollars had been received from O & C timber sales as of that date; Commissioner Spry was nevertheless optimistic that a stronger demand for timber and the rise in prices would make the O & C Fund sufficient to reimburse the government for its payment of county taxes. But even with prompt response to all applications to purchase, he informed Secretary Work, "the Government can neither force nor create the demand." The secretary also objected to the Stanfield bill because of the "unwarranted impact" of yet another provision in the administration of the revested lands. Instead, he urged Oregonians to seek a better solution to their needs in existing laws and court judgments. Conservation and long-term revenues, he argued, should be paramount considerations.

At the hearings, Representative Hawley told his colleagues that Oregon's forest-land loaf had been cut in two: "half held for the nation as a whole . . . another generous share . . . taken in the revestment. . . . We ask for the return of but a crumb," he pleaded. Supporting him, Guy Cordon, former Douglas County assessor and now its district attorney, pointed out that Congress had miscalculated in 1916: the market they had counted on had absorbed only four million dollars' worth of O & C timber in nearly a decade. Congress was now "obligated, morally at least," he said, "to make redress" to the counties by an outright appropriation and by assigning to them priority from future receipts. Lane County officials sent no spokesman to the hearings; the Eugene *Register-Guard* admitted that they didn't have "a whale of a strong case." But the desirability of applying their one-million-dollar share of the payment to bonded indebtedness became a local election issue that fall.

When Oregon's congressional delegation presented the matter to the president, he was not impressed. With characteristic economic sense, Calvin Coolidge pointed out that the government would be required by the Stanfield bill to advance money to the counties "before it received it and without interest." That advance, moreover, was to be paid without congressional appropriation, a thing that was "almost unheard of." At Coolidge's insistence, Stanfield pledged that Oregon's delegation would subsequently propose an amendment to the act. With that assurance, Coolidge signed it in July 1926. A hitch in the victory developed when Interior's solicitor ruled that the indemnity sections were not to be counted for payment, but prominent Oregonians personally appealed to the attorney general and won reversal of the ruling. Further certainty was obtained in 1928 when the Supreme Court rejected Oregon's suit to share in the Stanfield payments. Cordon represented the eighteen counties in that case.

The eighteen counties were pleased with the government's generosity. Eugene held a two-day celebration with good reason. Lane County's portion of the Stanfield payment was at first determined to be $686,975.58. The county court quickly allotted over $200,000 of it to school and road districts and nearly half that amount to the Port of Siuslaw. New parks, health services, and jails were also considered. The bulk of the payment was to be used for reduction of outstanding indebtedness. Lane eventually received nearly $1.9 million from the Stanfield Act's provisions. Because the act used the 1915 calculations as the basis for some of the payments, the eighteen counties' excessive claims later had to be scrutinized by the Interior Department. Officials disallowed many of the valuations made by Lane County, for example, and ultimately reduced its claim by $100,000. The GLO warned all of the land-grant counties that they must prove the accuracy of their tax claims. Further new evaluations of the counties' equity in O & C lands would have to be made in subsequent years.

Nothing in the Stanfield Act altered the 1916 formula for continued payments from timber-sales receipts. Nor did the act provide for better administration of the O & C timberlands. Instead, others initiated steps to that end. Officials of the Eugene Chamber of Commerce employed a district forester to oversee all logging operations, established its own experiment station, and added a lumbering committee to its organization. In 1926, Jackson and Douglas county men (including Guy Cordon) had revived the earlier Lane County idea and established an Association of O & C Counties (AOCC) to promote passage of the Stanfield bill. Oregon forester E. T. Allen proposed to Congressman Hawley the idea of requiring a bond from purchasers of O & C timber because neither the Forest Service nor the state could fully control slash burning. Interior officials asked Congress for authority to do so, but no measure was approved. Instead, GLO collected double the stumpage values from any company that destroyed timber by fire.

In an effort to put teeth into Interior's administration of the O & C timberlands, Representative Hawley and his Oregon colleague Nicholas Sinnott introduced an amendment to the 1916 act in 1928. By its terms, timber could be sold from lands classified as agricultural on which homesteads had not been completed. Because it would make the controversial quarter-section timber available, Secretary Work supported the bill. When the Senate took up the proposal, Senator McNary added it to a Forest Service recommendation giving the secretary of the interior authority to supervise the cutting and removal of timber from these lands by means of regulations added to the GLO's patents after contracts were awarded. "The government is vitally interested in the protection of forests against reckless and improper methods of removal," he told his colleagues. The quarter-section sale provision passed in both houses of Congress in May and was signed into law. McNary's addition was included in a second measure the same day.

Through 1926 and 1927, the logging–lumbering industry of the Pacific Northwest appeared to be sharing in the nationwide boom called "Coolidge Prosperity." In Lane County, 365,629,000 board feet of timber were cut, earning $5,517,342 or an average of $15.09 per thousand board feet. Eighty mills employing 2,450 workers had a payroll of $1,770,566 in the county's total population of nearly 50,000. In the course of two more years, seventy logging operations worth three and one-half million dollars operated on the revested and reconveyed tracts. Secretary Work encouraged them to cut in the more inaccessible portions and predicted that the O & C Fund would be sufficient to pay the requisite claims on it. They purchased nearly 300 GLO sales, cut about 800 million board feet on 23,000 acres, and paid nearly $1.5 million into the fund — a sum greater than the total receipts of the preceding seven years. Although these statistics were the best recorded since the 1916 act was implemented, they were still unimpressive compared to the commercial operations on private and national forests.

The high level of productivity of the nation's resources prompted the new administration of President Herbert Hoover to favor withdrawal of the federal government from such enterprise. His interior secretary, Ray Lyman Wilbur, conceived of that department as a mere planning agency for resource development, with all federal forestry activities consolidated into one agency. Wilbur's proposed "new conservation" would have the states take over administration of surface rights to the public domain within their boundaries. They could "do no worse in the next twenty years," he told a western audience, "than the Federal Government has in the past twenty." When the proposal generated widespread controversy, Wilbur explained that the change would not include the national forests. Nothing specific was said about the O & C lands, but it was known that Wilbur also advocated transferring Interior's forest jurisdiction to Agriculture. Some members of the forestry profession protested that state jurisdiction over the vast public domain would result in equally gigantic scandals. They agreed, however, that Interior's forest lands were in "notably worse" condition than those under the Forest Service.

Local supporters of the "new conservation" put pressure on Oregon's senators, who were told that if the national forests were turned over to the state, community and industrial economics could thereby be stabilized through permanent land management applied by regional or municipal officials. The O & C lands were cited as "full acknowledgment" of the "deprivations" inflicted upon the counties by federal jurisdiction. In response, Stanfield's successor, Frederick Steiwer, proposed "recession" of the public lands to the states if the latter would adhere to federal conservation practices. McNary alarmed Forest Service officials even more by proposing that one million acres of national forest lands be given to Oregon to finance construction of public buildings in Salem. Robert Stuart, the agency's new chief, tactfully suggested that portions of the O & C lands or the public domain might better serve that purpose. (The GLO duly instructed its agents to begin collecting data for the transfer.) Stuart's suggestion may have reflected his impatience with the continued division of jurisdiction between the two agencies. The attorney general had recently ruled that the O & C indemnity lands administered by the Forest Service were still part of its responsibility because the Stanfield Act had made no exception of them and its payments could not be met without counting them in the total acreage.

Forest Service officials were also dismayed when McNary proposed a bill that would authorize Interior to accelerate timber cutting on the forty-acre O & C tracts that contained less than 300,000 board feet. The cutover lands could then be made available to farmers for homesteads. Secretary Wilbur favored the measure if it would also give his department discretionary power to limit logging to meet prevailing market conditions. The bill would have thus strengthened GLO's timber-sale policy somewhat, but E. P. Rands and the Portland Chamber of Commerce argued that McNary's proposal was not in keeping with the highest use of the classified lands. Moreover, the Department of Agriculture opposed it because it would establish farming on submarginal lands. At the same time, Senator Robert McClintic of Oklahoma, a member of the Public Lands Committee, denounced the payments made to the eighteen counties without continuing legislative action.

These rumblings could be taken as signs that many other interested parties were beginning to recognize the "conspicuous defect" in the revested-lands administration. Bureaucratic inertia and rivalry had effectively diverted Forest Service efforts to cure that weakness. Instead, prosperity and politics enabled Oregonians to adjust some of the fiscal provisions of the 1916 act. But the nationwide economic crisis that began before the end of the Hoover administration's second year in office offered a far greater opportunity to renovate federal forest-land policy. Forgotten, ignored, and despised until then, the O & C lands became the very model for change.[4]

2

DESIGNING A NEW CHARTER

1931–1937

Effective forest management policies were finally applied to the O & C lands because of desperations and ambitions engendered by the depression. The economic statistics of the early 1930s were bleak for all businesses, but they were especially grim for the logging–lumber manufacturing industry. The index line of its total production nearly dropped off the charts. What was worse, its capacity to produce was cut in half. By 1932, an estimated 90 percent of the lumber companies in Oregon alone were on the verge of bankruptcy, and one-half the timber there was tax delinquent.

William Greeley, then executive manager of the West Coast Lumbermen's Association (WCLA), proposed two kinds of remedy: In the long run, lumbermen should assume greater responsibility for planning and consolidation through collective action. For the emergency period, the federal government should confine sales of public timber to established operators in order to prevent an increase in production or productive capacities. Wilson Compton, executive secretary of and spokesman for the National Lumber Manufacturers Association (NMLA), transmitted a similar recommendation to Interior Secretary Ray Lyman Wilbur. If the economic conditions of lumber operators were to be stabilized, Compton wrote, the "constantly overhanging threat" of increased cutting on the national reserves had to be removed. President Hoover should therefore apply his concept of "moratorium" to cutting or use of that timber. The Forest Service should try to keep its resources off the commercial market, Compton suggested, and its regulations should be applied to operations on the O & C lands. The president eventually instructed the secretaries of interior and agriculture "to curtail the cutting of timber on lands in national ownership during the present depression." On the O &

C, none was to be logged "except to permit the continuation of existing local operations relying upon this timber as their source of supply."

GLO Commissioner C. C. Moore objected to this policy. The terms of the 1916 act, he told Wilbur, anticipated adjustment of sales to market conditions; indeed, adjustments were taking place in the normal course of things. Only forty-five applications for O & C timber had been received in fiscal 1931, decidedly fewer than in the preceding period; few existing ten-year patents were being extended; and O & C sales over a dozen years had had little effect on the stagnant lumber market in Oregon. Moore also pointed out that Forest Service regulations were not properly applicable to O & C practices. New restrictions on cutting would affect the financial condition of operators and would throw more workers out of jobs. Finally, he warned that the reduction of cutting would imperil "the obviously precarious condition" of the O & C Fund. Payments under the Stanfield Act had been limited by the courts. That restriction, and the depression conditions, meant that only 60 percent of the counties' debts could be paid. A deficit of nearly nine million dollars quickly accumulated in the O & C Fund; one immediate result was a substantial decline in county expenditures. (In 1934, Lane County could anticipate less than a quarter of the receipts from previous O & C sales. It therefore asked the Interior Department for over $96,000 to pay for such essential programs as schools.) Secretary Wilbur subsequently agreed to exempt from cutting restrictions those operators wholly dependent on the timber they had already purchased from O & C lands.

The men who came into power with Franklin Roosevelt's election to the presidency in 1932 were more determined. Like their chief, many had been politically educated during the era of reform, with its emphasis on federal innovation and stewardship, and were familiar with the inadequacies of past policies — whether by government or private initiative — for the proper utilization of the nation's lands and resources. They believed that the current economic crisis called for greater planning and experiment than ever before. At the outset of their tenure, they assigned legislative and administrative priorities to programs drawn up by businessmen familiar with local conditions, or established temporary programs like the Civilian Conservation Corps (CCC) and the National Recovery Administration (NRA) for cooperative effort between public and private forestry operations. Such experiments were welcome, but it was obvious to leaders of the private and public sectors of the Pacific Northwest's economy that they must find long-term solutions to their problems. Although neither group abandoned its belief in free enterprise, both were ready to accept the interdependency of business and government at all levels.

By 1934, a consulting forester from Portland became a major spokesman for that relationship. David Mason had initiated a one-man campaign as early as 1926 to convince his associates in the industry that they could solve their problems by "putting the brakes" on lumber production. The following year he presented a germinal proposal that would be in the best interests of both forestry and lumbering: "sustained yield." A system of controlling the rate at which mature timber was cut and utilized in order to perpetuate supply, sustained yield could be brought about by selective logging, by artificial reforestation as a supplement to natural regeneration, and by flexible marketing and fiscal arrangements. Such a planned system would require a degree of compulsion, but that power would come through cooperation among lumbermen as well as through federal and state statutes.

Widespread acceptance of such concepts was foreshadowed in 1930, when the Society of American Foresters (SAF) endorsed the enlargement of public timber reserves by a vast federal acquisitions program. Based upon the same dual purpose of applying proper silvicultural methods and alleviating the economic problems of the industry, this proposal implied extensive government ownership of the nation's forest resources. Some foresters and lumbermen viewed such a consequence as socialism, if not communism. But SAF's more prominent members, including E. T. Allen, urged them to "harmonize" with the policies of federal agencies that they usually criticized or asked for undue favors.

Mason's idea of metering the lumber market by sustained-yield management came to the attention of New Dealers early in 1933, when he worked as a principal consultant in writing the Lumber Code of the NRA and then served as an executive officer in its administration. Among the many forestry topics he discussed with Forest Service officials in 1934 was improved management of O & C and national forests. That same year, he was a member of the National Forestry Review Committee, a group of federal and private forestry experts charged by the president with planning steps for stabilizing the industry while protecting the public interest. In the course of the committee's deliberations, Mason observed, the administration of the O & C/CB lands "was recognized as a large scale example of mismanagement." He therefore recommended that a major portion of those lands (1,750,000 acres, substantially more than the 1,212,404 acres classified as timberland) be added to the national-forest system.

The Forest Service had already decided that the "psychological moment" for the realization of its long-held ambition had arrived. Hopes for Hoover's proposal to transfer the GLO to a new assistant secretary of agriculture for land utilization died when Congress failed to act on reorganization. As the Roosevelt administration came in, Forest Service officials expected the president to exercise his new emergency powers to effect the transfer. "Considerable interest" would also appear in Congress, they predicted, because the legislators would recognize that the government had been "duped and unfairly dealt with" in the matter of the O & C receipts formula. In order to facilitate that recognition, the agency's friends mounted a publicity campaign. Foremost among them was H. H. Chapman, professor of forestry at Yale, but his intemperate criticism of the Interior Department's policies soon threatened to split the membership of the SAF.

Roosevelt appointed two of his most effective administrators to handle federal lands and resources. To head the Department of Agriculture he chose Henry A. Wallace, son of the man who had fended off Albert Fall's efforts to annex the Forest Service a decade earlier. The new interior secretary was Harold L. Ickes, who found in the nationwide economic emergency opportunities for enlarging federal jurisdictions in the West on behalf of the public interest of the whole nation. One example of his audacity was a proposal to create a Rhode Island-sized Olympic National Park in Washington State, which would, not incidentally, curtail local lumbering and remove from commercial use much of the Olympic National Forest. His primary purpose, however, was to remodel Interior into a Department of Conservation and remove from it the stigma of ineptitude and corruption some of his predecessors had placed upon it. The first step in that grand design was a plan to transfer the Forest Service to his jurisdiction. At the outset, however, Wallace and Ickes adhered to the president's emphasis upon cooperation by working in tandem to guide the National Forestry Review Committee.

Because of Senator Charles McNary's role in the Roosevelt administration's water-power proposals for the Pacific Northwest, Interior's new staff had to understand Oregon's forest and lumbering situation well. One source of information was the state's Planning Council, a group established to survey local resource conditions and needs and report to the president's National Resources Planning Board. Its forestry committee was headed by C. J. Buck, longtime critic of the county receipts and of the GLO's administration. Although Buck's arguments impressed some colleagues, David Mason warned them that the transfer and taxation issues would endanger adoption of remedial programs for forestry and lumbering in Oregon. The council ultimately asked for the formation of a committee composed of federal, state, county, and lumbering representatives to outline such programs.

This "situation . . . of such gravity" also caused the county courts (the governing bodies) of the eighteen land-grant counties to appoint representatives to revive and recharter the AOCC. That organization then sent its former spokesman, Guy Cordon, to Washington, D.C., to defend the counties' interests. Cordon found that the strong prejudice among eastern congressmen against appropriating more federal funds for any interests in the West was still very much alive. When he lobbied in 1935 for a timber tax, one unnamed legislator confirmed his fears with the remark: "Well, if Guy Cordon is for it, I'm against it. It's a lumberman's bill." The Oregon delegation, of course, listened closely to his ideas. The counties, he told McNary and Frederick Steiwer, were anxious to have their tax debts relieved in some way but were leery that administrative reorganization of the O & C lands would reopen the whole question of the receipts formula. Neither senator introduced bills for such reorganization, but both gave their support to Oregon Congressman James Mott's measure to authorize resumption of the Stanfield Act payments. That matter had been an issue in the recent election in his district, which included several O & C counties, and he had reportedly won on it.

In 1935, Mason presented to the National Forestry Review Committee a draft of legislation for "a policy of extreme conservation" of federal timber on a sustained-yield basis with "reasonable flexibility" for stabilizing the lumber industry in western Oregon. At the same time, the state Planning Council's forestry committee applied his concept in recommending two alternatives on the O & C lands. One would have the Forest Service act as trustee and receive 20 percent of the receipts for that work. The other would divide the lands into large units and assigned them to the Forest Service or the state Board of Forestry.

Both ideas provoked widespread controversy. H. J: Cox of the WVLA objected to giving the Forest Service such "dictatorial power." Although some operators argued that sustained yield could not work in the Douglas fir forests, George Gerlinger, president of the Dallas (Oregon) Lumber Company, saw its practical aspects as merely extensions of methods that responsible lumbermen had long employed. Senator McNary, he thought, should propose a bill incorporating the plan for state jurisdiction over O & C timber management. As the debate continued, E. P. Rands, still the GLO's O & C administrator, was directed by his superiors not to take sides. But he resented the participants' criticism of Interior's past record. With a handful of part-time employees, he had sold an average of nearly 200 million board feet of timber each year since 1917. All that was needed to apply the new sustained-yield concept, he believed, was a bill to increase the authority granted to the secretary of the interior by the 1916 act. Among those who agreed to that easy solution was Harold Ickes.[1]

ICKES' INTENTIONS

Unlike his predecessors, Ickes did not wait for others to take the initiative in solving the dilemma of the O & C lands. While Fred Johnson, his GLO commissioner, viewed the O & C as "simply one problem in a highly complicated situation," Ickes recognized that the manner of logging those lands could determine what the federal forests would be like in decades to come. In anticipation of formulating new policy, he suspended sales of O & C timber. When applications for purchase piled up (there were thirty of them in Lane County, including one from Gerlinger), he agreed to suggestions by Rands and Johnson to favor previous purchasers dependent upon that timber source.

(Ickes may have expected that new controls would replace the NRA lumber code, but the Oregon lumber economy was improving by the end of 1935. Two years before, Booth-Kelly Company had employed 454 workers to produce $489,971.56 worth of lumber, for a profit of $366,632. Now its president, A. C. Dixon, reported that 527 workers produced $836,164.30 worth of lumber for a profit of $540,561.30. Dixon also served as a deputy administrator of the NRA lumber code. When that program was terminated by the Supreme Court in 1935, he was one of many lumbermen to advocate new legislative and executive authority to establish more effective federal forest management.)

Western Oregon lumbermen were disturbed not only by the suspension of sales but also by the Department of Agriculture's Resettlement Administration proposal to obtain access to O & C lands. Some local GLO agents supported that idea to meet the increasing demands of "land hungry" farmers and war veterans. Ickes was interested in getting Rexford Tugwell, head of the Resettlement Administration, as his own under-secretary to coordinate conservation policies, but he did not welcome any diminution of Interior's domain. Well aware of the secretary's larger purpose, Mason outlined draft legislation in March 1936 that would authorize the secretary to establish a new administration of O & C lands to coordinate federal, state, and private lumbering and would also set up a statutory annual allowable cut of half a billion board feet.

The following month, *American Forests,* the magazine of the American Forestry Association (AFA), carried an article by its executive secretary Ovid Butler, a longtime critic of the Interior Department. That agency's administration of the O & C checkerboard, he wrote, had produced "the Oregon Checkmate." Reciting the Forest Service version of the 1916 act and its aftermath, Butler charged that the only thing the Roosevelt administration had added was to place on those lands "poverty stricken settlers," who were "a heavy relief burden" to government at every level. Intelligent forest management was "virtually blocked." Like earlier secretaries, Ickes, "champion of conservation that he professes to be," had thus far "failed to raise his voice publicly against a federal policy that makes his own department a party to land devastation as destructive as can be found in the country." Far from being bound by the 1916 act to a policy of timber disposition, Butler pointed out, the secretary had since 1928 possessed authority to manage the forests under his jurisdiction properly.

In retrospect — and by the claims of Forest Service partisans — Ickes' decision to improve timber management on the O & C lands was brought about because of Butler's "J'Accuse!" At the time, however, the secretary informed his critic that he was not moved by "this display of malice and spleen." Instead, he was "really indebted," because Butler's fanaticism had created sentiment in favor of Interior's own plan. Believing that neither Butler nor the AFA represented the views of all foresters or lumbermen, he chose to rely on those who supported his department.[2]

In May, Ickes asked Rufus Poole, the department's assistant solicitor, to draft a bill reorganizing the O & C Administration and its policies. Poole, whose expertise was in the field of natural resources, believed that the laws of 1928 had not changed the 1916 act's requirements for disposition of O & C timber. He was also aware of the complex county-receipts situation because of his close friendship with Guy Cordon. Poole thought that the forest lands could probably be transferred to the Forest Service by presidential order but obviously did not intend that Interior would make such a request. From Ward Shepard, a prominent Bureau of Indian Affairs forester who had taught at Harvard and now advised the department on forestry problems, he learned that Oregon's senators wanted more than just an amendment to the 1916 act. Because it was an election year (and McNary was up for reelection) they did not think such a proposal would be acted upon in that session of Congress. In keeping with Ickes' quest for an easy solution that would enhance Interior's opportunities, Poole drafted a bill that was only one page long. It summarily authorized the secretary to "perform any and all acts" that were, "in his discretion," necessary and proper to make "cooperative agreements" with federal and state agencies and with private owners or operators "with respect to time, rate, method of cutting, and sustained yield" of the forests on O & C and CB lands.

In June, Ickes submitted Poole's draft to Congressman René DeRouen of Louisiana, chairman of the House Public Lands Committee. Although he sent copies to Oregon officials and lumbermen with an endorsement of sustained-yield forestry for the O & C lands, he also suspended further timber sales on those lands pending enactment of the bill. Poole warned that suspension would "disastrously affect" chances of securing the legislation. Indeed, letters and resolutions of protest from Oregon poured into Interior's offices, but they were moderate in tone compared with objections to the bill itself. Judge Fred Fisk of Lane County asserted that it would give the secretary the power "to reserve from sale or other disposition any or all of the O & C lands for public purposes." Mason grumbled that it was "a step in the right direction" that needed "considerable strengthening." Gerlinger claimed that operators in the WVLA unanimously opposed the bill and would raise a row that would delay congressional consideration. The proposal was not acted upon at all, just as Oregon's senators had predicted.

When Congress adjourned that summer, Ickes diplomatically revoked the suspension of O & C timber sales. His aides explained privately that he wanted to make "capital" out of that gesture "in the interest of conservation and to help the bill in the next session." Gestures were not enough, however. During those months Mason traveled frequently to Washington, D.C., to spend "quite a bit of time" keeping Ickes from "making a fool of himself" by losing the O & C sustained-yield bill. The secretary agreed to send a representative to a conference on the bill called by the Oregon Planning Council. He chose Poole for that mission, and the solicitor in turn chose Walter Horning to assist him. A former professor of forestry at Iowa State College, Horning had recently been brought into the National Park Service to help formulate policy for the agency's forest lands. His analysis of Ickes' Olympic National Park proposal had impressed his superiors, and they confidently relied upon him to be their eyes and ears at the conference.

On June 21, 1936, about eighty persons convened in the old Portland Hotel, the site of many discussions of the O & C land question. All of them knew that the issue was still "full of political dynamite" and "a hornet's nest of politics." Mason warned them that the controversies over transfer and taxes could block any legislation, "probably for years to come," but his warning was ignored. The question of jurisdiction was taken up first. A spokesman for the WCLA was certain that the Interior Department could manage the lands "satisfactorily to all concerned." A member of the state Board of Forestry thought that Oregon should obtain 400,000 acres of the best O & C lands while the remainder was sold to the Forest Service. An official of the latter agency reiterated its earlier proposal for management and receipts and advised the meeting that sustained yield could not be practically applied "in any blanket way." That method of forestry was not the issue, maintained Congressman Mott. The real issue was restoration of the Stanfield Act's payments to the counties; Congress, not the Interior Department, should act on that problem first. Cordon hastened to add that the O & C counties endorsed sustained yield, but not at the risk of disrupting the fifty or sixty communities dependent on timber-sale receipts.

Other speakers added comments that were hardly constructive. Consulting Portland forester A. C. Pecore ridiculed the GLO's sales record: in nineteen years it had disposed of only 10 percent of the O & C forests. "If this same rate of sale is continued in the future" he predicted, "it . . . will be nearly 220 years before all of the O & C timber is disposed of. . . ." Doubtless expressing a distrust shared by others, he denigrated the "so-called experts" who would administer the new policy as men "whose knowledge of timber and lumbering conditions has been received primarily from textbooks and college professors." These same men would insist on "trying out new experiments" and would impose regulations that would please sportsmen but prevent responsible lumbermen from logging the lands.

Yet it was the spokesmen for responsible lumbermen who raised the level of the debate. Greeley called for the use of "terms of trust" in the bill to "clearly and specifically give Interior . . . mandatory instructions" for managing the O & C forests. Among these would be the authority to decline to approve contracts without sustained-yield procedures and to reject bids in competitive sales for the same reason. It seemed strange, he noted, to hear such remarks coming from the lumber industry, but "we are honestly trying to see things headed in that direction. We don't want to see the Government muff this opportunity to set out the O & C program." Gerlinger assured the meeting that his colleagues in WVLA had a "distinct consciousness" of the principle of sustained yield. He admitted, however, that many of them doubted the guidance of "any department that has had so little experience as the Interior Department in this western country as to what rules and practices shall prevail." The proposed bill, he said, was further evidence of Interior's intention to keep administration "entirely in their own hands subject to any rules and regulations that they might desire to make, with very little consideration given to the factors of district units, of the state or counties, or manufacturers — dealing entirely with the national viewpoint of the program instead of a state viewpoint." Any permissive legislation must therefore be surrounded by guidelines under which the lumber industry could operate.

The views of Mason, Greeley, and Gerlinger were carried back to the department by Poole and Horning. Sustained-yield practices, they recognized, had to be made mandatory rather than discretionary. When the secretary designated administrative procedures, he would have to give due consideration to established operators who had cooperated in those practices. The underlying purpose of all policies would be to maintain the economic wellbeing of the communities dependent upon lumbering in the revested and reconveyed lands. In revising the bill to these ends, Poole relied upon the professional experience of Rands, Horning, and Lee Muck, veteran BIA forester. They agreed that nonlumbering policies such as reforestation, grazing, and recreational use should be determined by administrators, not by statutory provisions.

None of them had much solicitude for the sensitivities of the land-grant counties. Poole believed that the counties' demands were without "moral" foundation in view of the fact that no other entities were paid by the federal government for public-domain lands. Horning reasoned that the financial provisions of the bill must assure substantial income to the government because of the substantial expenditures the government would be making in all aspects of administration. Any new formula, he thought, "probably can and should be nearly self-sustaining." In the long run, the real source of federal income, tax values, and receipts would be a better lumber market assured by sustained-yield practices.[3]

THE SUSTAINED-YIELD ACT

After the triumphant reelection of the Roosevelt administration in November, Gerlinger observed: "we can all go back to work and see how good a job we can do." By the first months of 1937, "a splendid bill" had been drafted by Interior and resubmitted to the Congress by Representative DeRouen. Title I directed that the 2,219,743 acres of O & C and CB lands be administered by officials appointed by the secretary of the interior; 1,400,000 timbered acres of that domain, containing an estimated forty-four billion board feet, would be managed according to sustained-yield methods in order to maintain the communities dependent on the timber harvest of those lands. To that end, the secretary was to designate maximum allowable cuts, beginning with half a billion board feet; he could also reclassify and exchange lands with federal and state agencies or private owners. As Mason observed with satisfaction, these terms established sustained yield not only on the public forest lands involved but, because of the checkerboard pattern, on the intermingled private forest lands as well. Cooperative management was thus both a substantive and a procedural imperative.

There was a notable absence in the revised bill of any strong requirement for participation in policy-making by the state and by lumbering-industry representatives. Although advisory boards were used by Interior's Bureau of Reclamation and Grazing Service under recent legislation, Poole doubted that Ickes would want "to be embarrassed by the advice of a biased committee" in this instance, one that "could, of course, be expected to act in self-interest." The government should not thus "abdicate" its responsibilities or put itself "at the mercy" of local interests no matter how wise their contributions might be. Perhaps because Horning supported the idea, Poole assured Gerlinger that the secretary would cooperate with an "advisory committee" of Oregonians, but no greater consideration would be given to timber owners than to any other interests. If the owners insisted on a more explicit amendment, he warned, they would harm chances for the bill's passage. Gerlinger and his associates were evidently satisfied with that general promise.

The arrangements for administrative costs and payments in Title II caused greater debate. The Bureau of the Budget insisted that the conservation features of the bill should not be supported by a fiscal bureau of the government unless a solution was found to the problem of tax equities. Poole felt that payment of a fixed sum to the counties would be more desirable than a new percentage formula, but he devised a system with several phases: an initial payment of half a million dollars, then 75 percent of the gross receipts paid out for nine years, and 65 percent paid thereafter, not to exceed $375,000 in any one year. Senators McNary and Steiwer objected to the idea and threatened to delay the bill until the end of the session. Some of their constituents, however, worried that "the longer we delay a settlement of the question, the less we are going to get" — maybe even less than 50 percent of the receipts.

The bill ultimately contained a more complex formula whose generosity — or lack thereof — would be an issue for years to come. Half of the timber-sales receipts would be distributed, in proportion to the 1915 assessed value of the O & C lands, to the eighteen counties in lieu of current taxes; a quarter would go to them to pay delinquent taxes for the years of 1934–1937 (a debt of $1,074,062). When that debt was paid off (as it was by 1943), the same 25 percent would be applied to replace the deficit owed from the Stanfield Act payments ($7,135,283), and the balances remaining from the 1913–1915 tax debt. (These deficits were paid off by 1951.) After the United States Treasury had been reimbursed for all of its advances, the counties would receive 75 percent of the O & C receipts, and the remainder would go to the Treasury. (That arrangement was effected only in 1952, to be discussed hereinafter.) The new formula was not so flexible an arrangement as the Stanfield payments, but the AOCC supported it because sustained-yield management promised to create an even flow of receipts instead of the uncertain fluctuations of the past. (In May 1939, Congress once again had to remedy belatedly its omission of the CB reconveyed lands from O & C legislation. It extended O & C administrative policies to those lands in all respects but one. Because the alternative of revenue sharing did not look very promising in those years, Coos and Douglas counties supported tax equivalency as the basis for payments from the CB Fund, and Congress confirmed that arrangement.)

In Horning's opinion, the revised bill would set up "a sane and scientific plan" that should command the support of conservationists as well as that of the interests represented at the Portland meeting. Those were not, however, the only viewpoints involved in consideration of the measure. The other factor affecting its passage was Harold Ickes' larger purpose: a bill for reorganization of his department that would include the Forest Service. Friends of that agency — and other "victims" of Ickes' audacious policies — had mounted an extensive publicity effort in 1936. Foremost among them was Gifford Pinchot, recently governor of Pennsylvania but still the Forest Service's spiritual leader. The two measures to enlarge Interior's jurisdictions, he said, were "a double barrelled attack on conservation and democracy." His adherents argued that a "separate but parallel" O & C administration could not match the economy and efficiency of Forest Service management, nor achieve its "simplicity of relationship with citizens" in the dependent communities. The legislation that was really needed, they believed, was the pending McNary–Doxey bill, which would establish a national forest acquisitions program through cooperative agreements with state, county, and private owners. Although that measure appeared to subsume provisions of the DeRouen bill, Horning thought it might well promote a better working relationship between GLO and the Forest Service.

As Mason predicted, there were more "fireworks" when the House Public Lands Committee opened hearings on the DeRouen bill in April 1937. The Forest Service's Leon Kneipp battled so fiercely with Cordon that the chairman had to intervene. Congressman Mott tried to tie timber management to county receipts by an amendment that would require the government to offer the full allowable cut every year. Because all parties interested in O & C lands desired maximum productivity, the addition was unnecessary. But when the WVLA submitted a letter testifying to lumbermen's support of Interior's jurisdiction, Mott secured a ruling prohibiting reproduction of the letter in the record. (It was included in the printed version.) Congressman John Dempsey of New Mexico gave an excellent presentation of the committee's favorable report to the floor of the House: "the early enactment of this legislation," he concluded, "is urged in the interests of both conservation and economy." Even Mott admitted that it was "the best solution" to the O & C problem "that it is possible at this time to obtain." Its easy passage in June was a real achievement in view of its complex nature. Poole told Cordon that the outcome "of our joint labors gave me more pleasure than anything I have done this year — in the field of legislation."

In mid-August, however, the bill "struck a snag" in the Senate, as Ickes complained to his diary. Never content to be a mere bystander, the secretary used his friendship with Senator Joseph O'Mahoney of Wyoming to dislodge it from the wavering grasp of two erstwhile "enemies," Alva Adams of Colorado and Key Pittman of Nevada. When the friends of Secretary Wallace introduced a proposal to substitute the word "Agriculture" at every point where the bill gave authority to Interior, Ickes' supporters came up with another that would transfer the Forest Service to Interior. Fortunately, the latter ploy blocked the former; unfortunately for Ickes' ambitions, it was only a ploy. When Wallace asked for further hearings, and thus for delay of the vote until the session adjourned, Ickes complained vehemently to Roosevelt. Perhaps because Forest Service Chief Ferdinand Silcox was in Europe and not inclined to press the issue, Wallace withdrew his request.

These maneuvers, in the opinion of Horning, demonstrated that the Forest Service considered "its own prestige and power" more important than "its widely advertised dedication to the ideals of conservation." By ending their opposition, the men at Agriculture may have hoped that Ickes would forgo his plan to get the Forest Service in his department. If so, they quickly abandoned all hope. While the O & C bill was pending, Ickes happily told his diary: "If it passes, we will have a miniature forest service in Interior, and not very miniature at that." In the last days of the session, the Public Lands Committee sent the bill to the Senate floor by a unanimous vote and it passed there without further discussion. The president signed it on August 28, 1937. Mason and many other Oregonians were "greatly pleased." Ickes chortled: "This law gives us the power to set up a forestry division in Interior." Soon afterward, he instructed his department aides to plan such an agency as the center for ultimate assumption of all federal forestry jurisdictions.[4]

The jurisdictional debate involved in the creation of a new administration for the O & C lands was no mere background matter. Ickes found in the legislation a striking means of demonstrating the sincerity of his proposal to reorganize Interior as a Department of Conservation in substance, if not in name. He recognized that administration of the O & C lands could become a TVA-like yardstick of public forestry. The handicap of intermingled lands could be transformed into a means of extending federal forestry standards to the lumber industry by cooperative management, instead of direct compulsion. Mindful of the New Deal's effort to reconcile centralism and localism, his emissaries gained for Interior the support of lumbermen and foresters in Oregon, who in turn provided the department with the precise method — sustained yield — for removing the "conspicuous defect" that had marred administration of the O & C for twenty years. Moreover, Ickes' men overcame the controversial issue of revenues for the eighteen counties by promoting his principle of federal stewardship for the public interest. The subsequent history of forest management on the O & C/CB lands would reflect each of these influences that had shaped the Act of 1937.

3

A SIMPLE, FLEXIBLE FRAMEWORK

1938–1944

A handful of men worked together to secure a statutory basis for sound management of the O & C forests. A similarly small group built the foundations of the management system. The O & C Administration was nothing but a paper organization for nine months after passage of the new legislation in 1937. Nearly everyone on Interior's staff was preoccupied with Secretary Harold Ickes' pending reorganization bill, planning for the changes it would involve, and fending off his critics. Amid all of the tumult, department solicitor Rufus Poole was greatly disturbed by the neglect of the new O & C plan he had drafted. Applications for sustained-yield contracts were piling up (the Hult Lumber Company of Lane County was the first to file), but no answers had been given to these or other inquiries from prominent Oregon lumbermen and foresters. No organization had been outlined in the legislation, so there was nothing upon which to base a detailed request to Congress for operating expenses. Timber-sale activities on the O & C lands involved twice as many board feet and dollars in fiscal year 1937 as they had the preceding year, but receipts were not available for distribution under the new formula until March 1, 1938. Oregonians who had hopefully supported reorganization of O & C management for over two years were angered by these delays, and some (allegedly led by Wilson Compton of the NLMA) threatened the department with more adverse publicity.

In October 1937, Poole urged Ickes to announce that there would be no hiatus on timber sales and to appoint "foresters or other experts" as a departmental committee to plan the initial form and function of the new administration. Ernest Rands, Lee Muck, and Walter Horning, Poole's principal advisors on the O & C legislation, were the obvious choices. Generally, they meant to design an organization that was "as simple and flexible as possible." In doing so, their primary concern was to establish timber-sale procedures that would reflect the statutory principles of sustained-yield management. But dozens of pending negotiations (ranging from informal requests for tracts to bids and partial payments) were also involved. Poole decided that there was no authority to stop sales, but also none to permit any except under the new requirements. The committee therefore worked out interim regulations that would bring pending transactions in line with sustained-yield practices.

Although Interior's O & C committee approached its tasks in a manner it saw as "evolutionary rather than revolutionary," it ran into the inertial mass of the GLO. Horning observed that the new emphasis was not popular there because it marked such a drastic departure from the bureau's "time-honored disposal policies." Moreover, some of the lawyers in the solicitor's office behaved like "apostles of reaction." Their argument for applying the old ten-year patent benefits to the new contracts, he thought, would in effect turn over 200,000 acres of timber to the vagaries of laggard operators. Horning never named GLO Commissioner Fred Johnson as the main obstacle to the new methods, but newcomers to the department generally felt that Johnson's age and alcoholism rendered him useless as an administrator. Ickes demonstrated his own lack of confidence in Johnson by appointing Joel Wolfsohn, a former associate in Illinois reform politics, as assistant commissioner. GLO reports and correspondence continued to carry Johnson's signature, but Wolfsohn oversaw transactions and initiated policies. By upholding the O & C committee's arguments for the revised regulations, he secured their support for his recommendation that the new administration remain within GLO. A separate bureau, he reasoned, would be more easily transferred to the Forest Service if the reorganization battle went the wrong way. He also thought that the infusion of "conservation blood" by the newcomers would have a desirable effect on the anemic policies of the oldtimers.

While Wolfsohn and Horning were unquestionably carriers of that variety of "blood," they were also anxious to establish a cooperative relationship with the lumber industry in western Oregon. A meeting of the WCLA held in Portland in November 1937 provided an excellent opportunity to do so. E. T. Allen hastened to assure them that the conference would not be "an irresponsible gathering of Forest Service partisans." The members were law-abiding, hard-working men, he explained, with great concern for forest management. But they were "thoroughly bewildered by so much uncertainty and controversy" and sought "something authoritative to guide their efforts, harmonious compromise if possible, but anyway something specific and understandable." He helpfully pointed out that attendance by Interior officials would provide a chance for them to refute critics and enhance passage of Ickes' reorganization bill. Horning also recognized that he and his associates could thereby secure far more publicity for the new administration than the brief notice given passage of the 1937 act by the Portland newspapers.

During their long cross-country railroad trip, Wolfsohn and Horning drafted remarks that would assure the lumbermen that there had been a change in GLO policies. The "men of vision" in that agency had theretofore been "kept in straight [sic] jackets by policies they had no hand in shaping." Now, GLO would symbolize the Roosevelt administration's definition of conservation: "prudent use and not hoarding" of public lands and resources. Because Horning could draw upon his familiarity with both the industry's needs and the government's proposals, his speech was especially reassuring. It was, he recalled, "a little job of spellbinding" to show that an ostensibly local problem was part of a national system. "Either because of, or in spite of" waiting until the members of the audience had had a few cocktails, his speech elicited high praise from many. It would be no less than a miracle, he thought, if the new regulations were accepted "without violent objections" by the small operators as well. That miracle occurred when he addressed the WVLA in Eugene a few days after the Portland meeting. While operators there complained of the losses they had incurred during the months of delay, they did not cancel their bids nor ask for their down payments back. Horning learned later that it was customary for a purchaser to begin cutting timber before his contract was signed; their forebearance at Eugene was thus inspired by fear of being charged with trespass — that is, theft.

In December, Poole and the O & C committee met with Ickes and assured him that the new regulations would serve as a safeguard against those who might attempt to attack or discredit the O & C Administration. As a further safeguard, Muck and Horning recommended that "everything possible among the more conspicuous forestry activities" be undertaken during the first season. For example, a vigorous program of reforestation utilizing CCC workers would "do more than anything else we can do to convince the public that we mean business." The secretary preferred to have a second opinion. Later that month he sent a personal agent, New York State College of Forestry professor Joseph S. Illick, to appraise the O & C situation in Oregon and recommend features for the new administration. Arriving during a record rainstorm, Illick made several trips into the timberlands and talked with state and private foresters and businessmen.

Concluding that no experience from the past was applicable because of the distinctiveness of the O & C, Illick therefore recommended that its administration be treated "as if it was a big boy that may go bad anytime." It should be headed by a forester selected by the secretary from names submitted by the State Board of Forestry and prominent Oregonians of that profession and by such interested groups as the AOCC. He made many other recommendations: Eugene was the best place for administrative headquarters; administrative expenses should not be dependent upon sales; officials should have direct access to the secretary's lieutenants; their staff should include engineers and surveyors who would be involved in planning, evaluating, and surveillance; and field procedures should be set forth in a handbook for field use.

Horning did not think the Illick report was "a particularly outstanding contribution," perhaps because it recommended forms and functions that the director ought to decide on his own. The recommendation for a variety of personnel positions seemed especially specious in view of the Budget Bureau's allocation of a bit more than $150,000 for the new administration. Half of that sum, Horning knew, was already committed to paying for fire protection, a responsibility that was assigned to Interior by the 1937 act. (The Forest Service paid for the program in the interim period.) He did agree with Illick that the administrator should be a forester and be selected immediately. Without strong leadership by the O & C's administrator, Horning emphasized, Ickes' reputation as a conservationist would suffer.[1]

CHIEF FORESTER HORNING

During the several state–federal conferences of the preceding months, Oregonians had approached Poole with a number of suggestions for a director of the new O & C Administration. These ranged from the ridiculous (myopic critic A. C. Pecore offered his own services if Ernest Rands were not appointed) to the obvious (David Mason thought that Horning's performance revealed excellent qualifications for the job). After the 1937 act was passed, letters came into the department with other recommendations. One was on behalf of C. J. Buck, now regional forester for Pacific Northwest national forests, a highly unlikely choice in view of the Roosevelt–Ickes distrust of the men of the Forest Service and Buck's earlier attacks on Interior's O & C management and Olympic National Park plans. (According to a story that persisted at Interior for years afterward, Buck cynically agreed to take the job "for a million dollars"; when Ickes heard of the remark, he cracked: "I'll do it for $150,000.") Guy Cordon recommended Warren Tilton, a consulting forester in Seattle who was executive of two lumbermen's associations. Because Tilton seemed "cagey," Horning thought that his affiliations should first be investigated.

Ickes mentioned Emanuel Fritz for the post. A professor of forestry at the University of California and loyal defender of the Interior Department against the attacks of his colleagues in the foresters' organizations, Fritz had just been hired to assist Lee Muck (now the department's director of forestry) and Illick in compiling a comprehensive report on public-domain forests. The professor was knowledgeable, Wolfsohn agreed, but too tactless to be a good administrator. At the height of the struggle for a reorganization bill, Senator McNary had asked Ickes to appoint an Oregonian as director (Ickes' diary entry did not record the man's name) — perhaps as a tactic to mollify Senator Steiwer, who was investigating two of the secretary's assistants at the same time. In January, however, Ickes made a tentative offer to Illick. The latter's report had emphasized that the O & C program's successful development "depends more on the capacity and quality of the director head than on any other single factor"; the post called for "a rare combination" of talents because it would be "among the most difficult administrative positions in American forestry." Responding to the offer, Illick said that he was willing to launch the program but thought that a younger man was needed for the permanent position.

Walter Horning was the man most frequently recommended for the directorship. A native of Pennsylvania, he had served in France with the 20th Army Engineers (the Forestry Regiment) during World War I. Thereafter he worked for the New York State Board of Forestry before going to Iowa State College to teach logging methods and forest finances. His field work for the National

Park Service in 1935 had earned him other special assignments the following year, including the trip to the Portland conference with Poole. Horning's research in "musty records" had furnished the solicitor with most of the technical evidence presented in defense of the DeRouen bill before congressional committees. Horning not only wrote the substance of the 1937 act but thereafter drafted Interior officials' defense of the department's record in forestry. David Mason had been repeatedly impressed with him. "He has a mighty fine grasp of the problems involved," Mason wrote after the Portland meeting, "and, what is at least equally important, he presented the program in such a way as to win the sympathy and approval of the large audience . . . which included, of course, a number of O & C operators"; their comments indicated appreciation of "his attitude and his diplomatic presentation." With such "a high order of tact and ability," Horning was well equipped to handle the directorship effectively.

Both associates and superiors in the Interior Department found Horning to be a rare combination of efficiency and diplomacy, both as troubleshooter and as analyst. Because he was at the center of discussions, he knew that he was one of those under consideration for the directorship. The prospect delighted him because it presented such a great opportunity for what he described as "authoritative accomplishment." With characteristic dry humor he claimed that he "might feel safer back in the classroom" but thought it would be "fun to live dangerously while it lasts." Late in May, though still on the National Park Service payroll, he was instructed to move to Rands's GLO quarters in the Custom House–Post Office Building in Portland and take charge of the "Oregon and California Revested Lands Administration."[2]

Acting Chief Forester Horning assumed direction of the new enterprise on June 1, 1938. While dealing with a variety of ongoing problems, he established the form and functions of a permanent organization. His first step was creation of an office and field staff. Assisting him in Portland were Joe Friedly as executive assistant and forester N. O. Nicholson, formerly with BIA, who took charge of overall policy plans. Another former forestry teacher, Richard Kearns, became a right-hand man in land-use planning and computation of the allowable cut. P. N. Pratt oversaw timber sales, and Mark Pike headed the CCC program. In addition to the associate foresters on the staff, the list of other new members included several timber cruisers and surveyors, a logging engineer to supervise operators' road construction, and liaison men to coordinate relations with the Forest Service and the State Board of Forestry.

The O & C domain was initially divided into eleven administrative units, but most of the timber involved in the first allowable cut was located in eight of the eighteen counties. Those eight were included in three districts with offices at Eugene, Roseburg, and Medford. (In 1943 one more was opened in Salem, another in Coos Bay the following year.) The foresters in charge of the stations were not merely subordinates taking orders from the chief in Portland; the great knowledge they acquired of field conditions and operations was asked for and given in frequent conferences as well as correspondence. Moreover, their district projects — boundary surveys, cruising trips, road and logging surveillance, reforestation projects — were a veritable training ground. A small field force, consisting of young men who were studying forestry or had worked in the national forests, conducted preliminary surveys. Their tasks brought them into contact with homesteaders who still assumed that the land would be turned over to farming as soon as it was logged. Some of these would-be farmers seemed ready to hasten that change by arson, so the field workers had to act as policemen as well. Because Horning rejected the Illick proposal for a procedural handbook such as the Forest Service used, these neophytes in effect had to write one of their own as they learned each problem and its solution. With the experience thus obtained, many of them later rose to influential posts in private, state, and federal forest-use organizations.

At the outset, the O & C administrators were inundated by a complexity of responsibilities. By Horning's own choice, their first assignment was to reorganize four CCC camps formerly under state and Forest Service jurisdiction. With a fifth unit added in 1939, a thousand enrollees directed by forty technicians gave over 150,000 man-days to reforesting portions of 170,000 acres of unproductive O & C lands. They also built roads and bridges and assisted Forest Service crews whenever abnormal fire conditions threatened timber on the indemnity sections. The overall fire protection program, Horning soon reported, was "one of our main weaknesses." Through agreements with the Forest Service and the Oregon Forest Fire Protection Association, great outlays of manpower and funds were required every season. In 1938, for example, the Smith River Burn destroyed 13,000 acres of O & C forest and cost $70,000 to control, even with the help of CCC labor.

In the middle of the second year, 1939, a further responsibility was dropped on Horning when Congress authorized the exchange of O & C sections with other federal, state, and private owners. A restatement of the 1918 legislation had been embodied in the 1937 act to provide more detailed guidelines for protecting equities in such transactions. While consolidation of the O & C domain had been GLO's purpose in past years, Secretary Ickes felt that exchanges would diminish the department's jurisdiction. (When Commissioner Johnson recommended one in the Siuslaw National Forest, Ickes demurred: "I don't like surrendering any land anywhere to the Forest Service if we can avoid it.") More important, the O & C administrators recognized that numerous exchanges would undermine the application of sustained yield on adjacent lands through the cooperation insured by a checkerboard pattern of land ownership. Unless confined to a few specific instances, exchanges would also reduce timber-sale receipts for the eighteen counties. But any exchanges had to await completion of the classification project begun during the first months of the Horning administration, the main purpose of which was to reclaim for reforestation those acreages that had been mislabeled as non-timbered tracts after the 1916 act. Of the 365,000 acres examined, 82,970 were marked for future forest production; only 2,000 were deemed better suited to agricultural purposes.

Horning was also inundated with demands for grazing use of some O & C lands. (In 1934, the revested and reconveyed lands had been exempted from the terms of the Taylor Grazing Act; Interior's Grazing Service therefore declined to handle regulations on those lands.) His colleagues on the department's O & C committee had initially decided that no such use could be allowed until classification was completed and general regulations formulated. By the end of 1939, sufficient information had been gathered to indicate that few of the cutover, tax-delinquent tracts could support grazing; indeed, some had been cleared merely to provide work during the Depression. In spite of pressures from foresters on the faculty at Oregon State College and from Columbia County, which had few timbered O & C sections left, Horning extended the delay by citing continuing experiments in seeding on foraging areas and the problem of jurisdiction on the sections intermingled with the national forests. In February 1939, he sought to mollify stockmen by issuing a proposed program. Its generalities did little more than acknowledge that grazing was a legitimate feature of O & C management policies.

Similarly, Interior officials decided that federal mining laws were not applicable to the O & C lands. The thousands of claimants that nevertheless filed for such use were viewed as squatters. (Legislation of 1948 would reactivate the mining laws on O & C lands but would withhold title to timber growing on the lands thereby patented under federal mining laws.) Horning deemed recreational use far more desirable. He personally wrote the first proposal for picnic and camping grounds and directed field workers to make a record of potential sites. When other federal and state agencies sought land exchanges for their own recreational plans, however, O & C officials declined to "stick our necks out" that far. There was, moreover, a question of priorities. Recreation, grazing, and other uses were to be supplementary to the main objectives of sustained yield and protection from erosion and fire. (Horning's other major task, that of planning cooperative agreements within the master divisions of the O & C domain, is discussed in Chapter 5.)

The subject that consumed most of the time and effort of Horning and his men was selling timber. That program was doubly important: first, to earn money for the government and the counties under the statutory receipts formula; and second, to obtain funds that would supplement the small appropriations for the new administration. Sales had been opened at Roseburg three months before Horning took charge. Because the first three of thirty-eight contracts involved only 5,733 acres containing 12,132,000 board feet, newspapers in the area were quick to ridicule the start of the new program. "Five or six thousand workers could dispense with that amount of timber in a forenoon," one editor jibed, "and get off early for lunch." Horning's colleagues on the O & C committee had based the new sales procedures and cutting regulations on those used by the foresters in the BIA. Those practices were "fully as good or better" than Forest Service methods, they thought, especially in reducing the extent of clearcutting. Cruising (estimating total stumpage by measuring sample tracts) was particularly useful in sustained-yield management. Horning acknowledged that Forest Service scaling (measuring the volume of logs) was "the fairest way to sell timber," but he was not convinced of its superiority when applied to the O & C forests or the statutory obligations involved in logging them. In official statements, he explained that initial appropriations did not permit him to use scaling as a general practice, although it might be allowed in some larger sales.

Aware that precedent was involved, he held off choosing one method over another. In the meantime, he called Forest Service officials for their statistics on scaling, believing that was "probably good strategy" as well. He also asked the Forest Service's Pacific Northwest Forest and Range Experiment Station to determine "the profitable part of a tree." In the course of the first two years, Horning was impressed by two advantages of the cruise method. First, it enabled the government — instead of the logger — to determine the value of the timber cut by estimating it and by fixing the appraised price for every variety of stumpage. Second, it minimized waste because the purchaser would want to take out all of the stumpage he had agreed to buy and would not therefore devalue a stand by selecting only the best trees on it.

The O & C lands contained less than half the estimated 98 billion board feet in the region's national forests, and an additional 132 billion board feet of timber were owned by private companies. A half-dozen companies dominated the logging industry, while many smaller operators jockeyed for control of local tracts. Horning, along with his associates in Oregon and at Interior, felt that "the woods of our O & C lands are filled with 'chislers' and 'in and outers' " whose irresponsible tendencies had to be curbed by provisions in the contract that accompanied each sale. By requiring operators to post security bonds, federal officials insured compliance with selective logging practices, protection of young growth and seed trees, obedience to fire-prevention requirements, rules for sanitation and anti-pollution, and access-road right-of-way agreements. Always the diplomat, Horning recognized at the outset that operators would "throw seven kinds of fits" if all the new rules were applied at once. Having outlined them during the conferences with industry associations and state officials the preceding winter, he submitted them in detail to the same interested parties before issuing them in September 1938. The allowable cut of half a billion board feet, he assured them, was a conservative figure that could be exceeded "and perhaps ultimately doubled" when accurate information was collected to determine sustained-yield capacities of O & C sections. While essential data were being collected and analyzed, timber sales would proceed at a deliberate rate.

Because of the still uncertain economic health of the lumber industry in western Oregon during those last years of the 1930s, and because there was far more marketable stumpage available in the national forests, the O & C administrators had to sell an essentially surplus commodity with a poor reputation among Oregon operators. Its staff met every "advantageous opportunity" to sell over-mature timber, and no applications for sales were turned down unless cruises were incomplete. In effect, the administrators had to appeal to the interests of experienced loggers by soliciting applications even before official advertisements were issued. They also considered allocating specific tracts to operators who were willing and able to comply with sustained-yield requirements because of their size, equipment, and financial resources. Lumbermen often cut timber in advance of payment in order to meet contract installments. Some companies with timberland holdings of their own proceeded slowly because they did not want federal stumpage to compete with them in the market. In doing so, they asked for permanent right of way over operator-owned access roads to the government timber. GLO was not willing to give that advantage, even though it had no funds of its own to build those roads.

Many smaller lumber companies resisted participation altogether. In Kearns's phrase, they viewed sustained yield as "a hazardous step." With less equipment and personnel, and smaller capital for investment, they found regulated cutting a hardship. The O & C administrative standards that seemed to hold no appeal for them included rotation periods of 100 years for mature growth; prices that ranged from $4 per thousand board feet for Douglas fir to 50¢ per thousand board feet for hemlock; and requirements for salvaging tops and slash left over after logging. Because local mills would often buy only large, high-quality logs, operators preferred the selectivity of cutting in the national forests. One small operator in Coquille claimed he had lost $40,000 to the O & C.

> We will be frank in stating that we would prefer to buy timber from the Forest Service than the O & C for the reason that in Forest Service sales, we pay for everything that we take out, whereas, on O & C sales our experience . . . has been very unsatisfactory. We have to buy your timber on a lump sum basis, with no guarantee of scale or cruises, and it has been our sad experience that practically all of your sales, to our company, have turned out badly because we have not been able to cut out the quantity of your cruises, and in some cases your cruises have fallen down as much as 50 percent, and we have no redress.

O & C officials assured operators that cruises and appraisals would be more accurate once new personnel became familiar with specific tracts. Reappraisals conducted in subsequent years, however, in many cases confirmed the accuracy of initial estimates.

Small operators were also placed in a difficult position by the O & C Administration's program to sustain lumbering communities by establishing marketing areas. Far more extensive than Forest Service "working circles," the marketing areas were an integral part of the sustained-yield program. Just as contractual requirements determined the amount of timber cut, sales to specific operators and mill owners determined marketing patterns. Land-use planner Kearns observed one consequence of that policy:

> A number of wood utility industries are located in Linn County. Many are very satisfactory operations. If O & C areas in Linn County are allocated on a sustained yield basis to mills in Benton or Polk Counties, it cannot but help mean a reduction in the number of manufacturing plants in Linn County. The desirability of such practice is questionable particularly so because of the availability of forest areas in Benton and Polk Counties for sustained yield unit conditions for the mills at Corvallis and Dallas. The use of the sustained yield motive to freeze out small operators is seemingly being applied in this area.

Until the benefits of sustained-yield management could be demonstrated in volume of timber cut and dollars received, Horning had to cultivate understanding through one-man diplomacy. He was well fitted for that task by his pedagogical manner (sufficiently leavened by a sense of humor) and usually elicited initial trust and subsequent respect. Before taking office, he had observed that the GLO's indifference to public relations created a vacuum filled by vociferous critics. He recognized that local newspapers, trade journals, and professional magazines were in fact receptive to articles and notices about the O & C Administration. During his first two years on the job, he personally wrote many public-policy statements and progress reports and made broadcasts on local radio stations to explain the aims and methods of O & C management in terms everyone could understand. He also joined organizations of foresters and lumbermen thoughout the region so that he could present such remarks at their conventions.

During those meetings, the teacher learned much himself. He noted that the members welcomed greater federal participation in forest protection and research but regarded the proposal by Forest Service Chief Ferdinand Silcox for government purchase of 90 billion board feet of private timber as "socialist or communist." (David Mason summarized what many of his associates favored:

"it would be highly desirable for the Forest Service to pay a good deal less attention to sociology and a good deal more to sound forest management.") The O & C's system appeared to be a much more acceptable alternative. Horning observed that there was another advantage in these signs of receptivity. It would be desirable, he told his superiors, if Secretary Ickes would in turn "hold out the olive branch to the lumber industry and refrain from future attacks calculated to antagonize its leaders needlessly"; that would be both "a matter of safety for the O & C Administration" and a help for his hopes to transfer the Forest Service to a Department of Conservation.

Horning cultivated men of influence with equal finesse. He took visiting congressmen on tours of the O & C operations and secured their praise for the new administration; when Oregon's James Mott claimed credit for both the 1937 act and Horning's appointment, the latter saw a chance to use that erstwhile critic as a publicist for the O & C. He also asked Guy Cordon to serve with consulting forester Warren Tilton in observing the classification and exchange programs. These "extra curricular" efforts, as Horning called them, were among the most enjoyable aspects of his work. The only "bad feature" was the salary limitations on him, especially during the probationary period of his tenure. "I find it costs money to be a professional joiner," he complained good-naturedly. He guessed that the only thing that saved him "from a reputation as a tightwad" was public recognition of the fact that he was Pennsylvania Dutch and therefore as penurious as that old immigrant stock was said to be.

A more formal basis of liaison was established a month after Horning took office. In belated response to the demands of lumbermen's associations during the debates over the DeRouen bills, Secretary Ickes sent a letter (drafted by Wolfsohn) to Mason, asking him to head a committee for "consideration" of matters relating to the management of the O & C domain. Among the six men chosen as "representatives of groups interested in a conservation administration" of those lands were George Gerlinger, State Forester J. W. Ferguson, and George Peavy, former dean of forestry and then president of Oregon State College of Agriculture in Corvallis. (Peavy's "intense" interest in the O & C was shared by many of his associates and successors there, but the institution was viewed as a virtual "academy for the Forest Service" and was for years inclined to support that agency's policies over those of Interior.) Mason and Gerlinger were, of course, members of lumber-industry associations; Gerlinger and Peavy were both on the State Board of Forestry. There was no chance that one hand would not know what the other was doing.

The O & C Advisory Committee, later called the Advisory Board, held its first meeting on August 23, 1938, at the Portland Hotel. Its members showed no timidity in taking up for discussion every topic involved in administration. They submitted a list of guidelines to be applied to land exchanges; they expressed doubts about whether the O & C Administration's logging engineers would favor operators more than the government, and whether graziers were getting too much consideration; and they raised questions about the overall impact of the new management. Was it a form of government subsidy to the lumber industry? Would it soon be making so much money that its spending would reduce the economic values of private forests? As the board's secretary, Chief Forester Horning was present at most of these meetings to make sure that both sides understood problems, intentions, and prospects.

In spite of the energies and efforts of the new administration, the results of the O & C's first year of sustained-yield forest management were modest. The income from timber sales declined from about $500,000 to about $350,000, and the total cut in FY 1939 was less than half the 550 million board feet allowed; in some of the district units it ranged from a third of the limit to practically no volume at all. Income from timber sales declined by half in between cutting seasons, while income from actual cutting rose to about $160,000 before declining in a similar manner. Horning's men were at least satisfied that demand was continuing at a level sufficient to insure that every contract regulation would be complied with. The eighteen counties were satisfied when their receipts rose to about $160,000 and remained at that level well into the following fiscal year.

There were several encouraging exceptions to these statistics. One was the rapid sale of Port Orford cedar, a species that was the sole source for making battery separator plates and venetian blinds. An estimated 80 percent of the world's supply was located in western Oregon, most of it in Coos County. The market was so good that the O & C administrators confidently raised the price on green trees from $8 to $9 per thousand and on dead and down timber from $5 to $9 per thousand while practicing annual-cut limitations, reserving some tracts, and replanting others. A second bright spot was the promise of greater Douglas fir forest production and receipts in the near future. "We sold $119,864.25 worth of timber this morning," Friedly reported to Horning on October 22, 1940, "consisting of 59,777 [,000] feet plus 1,545 cedar poles. Cash deposits with the sale amounted to $39,322.64 and we also received nearly $10,000 in additional remittances today. Our total collections this month amount to $126,861.50 . . . the second highest month in our history."

Until those rates produced sufficient funds to put the other phases of the 1937 act's receipts-distribution formula into effect, Horning had to struggle with his first operating budget. He assured Lee Muck that he would try to live within its limits. In 1938, Congress had assumed that timber sales would provide between $100,000 and $125,000 annually for the O & C Administration. In fiscal 1939, those transactions provided $135,000 of which $74,000 went for fire protection. The next fiscal year those amounts were $160,000 and $80,000 respectively, or only $40,000 more than the monies available before the passage of the sustained-yield legislation. Ickes had found $100,000 in emergency work funds to use for the land classification program through 1940, but that same year Congress began to slash GLO appropriations. Instead of getting "a substantial portion of the U.S. Treasury" whenever he went back to Washington, D.C., as his staff hoped, Horning had a distasteful task: "I hate to go around begging for funds to which I feel we are entitled," he grumbled. To help bail his program out of "a bad spot," Horning and Guy Cordon worked in tandem to persuade legislators that funds were needed for timber surveys that were important to industrial developments in the state. Four hundred eighty sawmills, cutting nearly four billion board feet, and 375 operators would be affected, they argued. With an eye to the threat of war, they emphasized that the O & C domain would be "one of the first reservoirs of timber supply to be drawn upon in an emergency." There was also a struggle to recruit personnel already authorized when Horning submitted the outline of his administrative structure. An even greater task would be added when Interior later expanded his jurisdiction over unclassified, intermingled sections of the public domain.

By the end of 1940, many observers were impressed with the O & C's operation. Interior Department officials were eagerly touting the new organization and its standards in publicity prepared as part of Ickes' continuing fight for a Department of Conservation. Horning drafted some of that material, and Ickes sent copies (over his own signature) to the president and the Budget Bureau. Horning also invited critics such as Oregon journalist Richard Neuberger to tour the O & C operations personally. Other adversaries volunteered their approval. Ovid Butler did not change sides, but one of his associates, G. H. Collingwood, told Horning of his personal appreciation for the O & C Administration's work. Another, John Woods, wrote an article in *American Forests* as if to balance that journal's attack of 1936 with praise of the new agency's personnel and purpose.

By 1941, students of forest management were describing the O & C Administration as a model in cooperation between public interests and private enterprises. Both supporters and critics were stunned by the results of operations during its second full year. At the end of fiscal 1940, timber sales reached a total income of nearly $650,000, or $150,000 more than the sum estimated on the basis of the previous year's returns. There was no substantial increase in actual cutting, but distribution of the money from sales raised county receipts to $350,000, and overall income nearly doubled. Although these statistics dropped at the end of the season down to the low range of the previous year, it was obvious that initial policies were sound and would be increasingly effective in the normal course of operations. That, in turn, enabled the administrators to apportion their expenditures for each area of responsibility: administration would receive 13 percent of the budget; forest management and development would get 30 percent; an equal amount would go to timber sales; and the remaining 27 percent would be paid for forest protection. (The amount and destination of income from the timber on the indemnity sections could not be included in these calculations, however. That was an increasingly disturbing question mark as long as the matter of jurisdiction, discussed in the next chapter, remained unsettled.)

Finally, sustained-yield forest management had transformed the landscape of western Oregon. "The rusty sheet iron smokestacks of a migrant industry engaged in hasty exploitation," Horning declaimed, "had been replaced by the brick and concrete chimneys of a permanent industry engaged in processing and refining." The "flimsy shacks of migrant workers" had changed into "substantial homes of settled tax-paying citizens." All of this could now be seen "through green woods rather than ghost towns viewed across desolate wastes of stumps and shattered logs."[3]

THE O & C ADMINISTRATION IN WARTIME

Horning's greatest problem for the next few years was the administration of the O & C during wartime. A year before Pearl Harbor, the government began to reorganize its bureaus as part of a national defense program. Along with other parts of the economy, natural resources were subject to allocations and priorities. Lumber was especially needed for construction of defense installations and strategic industries and for housing labor populations involved in them. With the establishment of these new priorities, customary procedures had to be modified. In the Willamette Valley, for example, the greater demand for lumber production was matched by a reduction in labor force and transportation facilities. In a similar paradox, the realignment of priorities provided unlimitied opportunities for the lumber industry while greatly curtailing policies just established by the O & C Administration. O & C nevertheless actively cooperated with the Office of Price Administration's limits on timber costs and supply. Competitive bidding tended to raise prices beyond those ceilings, so sales competition was discouraged. O & C also complied with the War Production Board's policy of keeping all operators at work even at the expense of the sustained-yield program. "In some localities," Horning recalled, "the prevention of operational shutdowns was accomplished only by permitting the cutting of timber far in excess of the volume which could be replaced by new growth. That was considered part of war."

Although several other agencies of the Interior Department had been categorized as essential to the defense program, the O & C Administration was not. Its interests were therefore subordinated to other pressures. To the old demands for access by stockmen and miners was added a new demand for acreage for Army and defense industry sites. Moreover, the military draft took more than twenty members of the O & C main staff and reduced the field organization to a skeleton crew. Fortunately Horning found assistants among older, more experienced men. For example, Travis Tyrrell, an Oregonian who had studied with Fritz at Berkeley and worked with the Forest Service in California, joined the O & C as an assistant district ranger. Two years later, he had earned a place in the Portland office as a planning assistant to Kearns.

The O & C Administration also employed young men who objected to military service on grounds of conscience. When the

CCC was abolished in 1942, a few of its units were renamed Public Service Camps in which these conscientious objectors continued their predecessors' work in reforestation and fire fighting. One of these, a 150-man camp, did such work on O & C lands. The seedling nursery near Coos Bay was expanded so that they could plant an average of a half-million trees each year. The "CO's" were also an essential part of the state's forest defense program organized to handle expected attacks from Japanese sea and air forces. (Five incendiary bombs carried by balloons across the Pacific landed in the western part of the state in 1942 but caused no forest damage.)

Because of the reduction in experienced personnel, those administrators who remained reported that demand for timber sales grew "in excess of our ability to take care of them," Horning did his best to fit procedures and programs to the special conditions that prevailed. He increased the number of acres available for sales on the indemnity sections and the tracts of Port Orford cedar. Although these were somewhat in excess of the local allowable cut, the increase did not affect the overall total limit on productive capacity. GLO's Wolfsohn also authorized sale of stumpage that was endangered by beetle infestation. Shortages of labor and funds perforce limited preliminary cruises to only 20 percent of the area to be sold in each case. Horning rejected any bids that were not clearly in keeping with sustained yield or beneficial to dependent lumbering communities. The latter consideration required suspension of some sustained-yield regulations in a few instances of large sales.

David Mason and his colleagues on the O & C Advisory Board were well satisfied with these indications that Horning was able to "deal in an intelligent way" with wartime demands. William Greeley praised the way he had "broken ground in a new policy along very effective lines" and urged Ovid Butler to publish in *American Forests* an article by Horning on that accomplishment. At the same time, Horning's indemnity-land sales annoyed the Forest Service and his sustained-yield requirements angered smaller operators. The latter also claimed that O & C sales favored only lumbermen whose private timberland holdings amounted to 50 percent of the O & C acreage involved. Horning denied that allegation.

The Oregon state legislature's renovation of forest-resource policies during the war years raised an especially difficult question for the O & C administrators. Richard Neuberger led the debate on whether Oregon had "concurrent jurisdiction" in enforcing fire-protection and slash-disposal regulations on federal forest lands. Horning took the occasion to praise the OFPA for facilitating cooperation with a variety of local fire associations and for educating those organizations and raising their own standards. But he would not accept the contention that the OFPA could determine policy or procedures within the O & C forests. In effect, he indicated that it would have only the privileges he granted. His superiors at the Interior Department sustained his position. Horning also declined to permit the O & C Administration to carry more than an equal share of the cost of fire protection, as some state officials advocated.

Horning's wartime description of the O & C as "one of the nation's largest testing grounds for scientific forest management" was not yet proven. But his description of it as Oregon's "golden goose" was demonstrated in an overwhelmingly impressive manner. With all of the new administrative machinery functioning in 1942, the total volume of O & C timber cut was nearly 200 million board feet more than the last peacetime year of 1940. (The cut in the Siuslaw River management unit in Lane County slightly exceeded the 41 million board feet of its allowable limit.) O & C timber sales were not so high as those of the preceding record year, but overall income doubled, as did the cutting rate even though far less timber was cut than was sold. After two years of meeting wartime needs, timber sales for 1944 reached a record volume of over 368.5 million board feet worth nearly $1,274,000. These results gave Horning the immediate satisfaction of no longer having to beg for large appropriations in addition to the funds made available for administration by the distribution formula. Of equal satisfaction to the government were the reduction of debts owed to the eighteen counties and the beginning of a small but growing credit in the U.S. Treasury. In 1943, total O & C/CB income was a million and a half dollars; estimated sales the following year promised to return a million dollars to the counties in 1945.

The record of the O & C administrators' first years was impressive. The forest land they oversaw was a mere supplement to the expanse of national forest land in western Oregon. But that very fact enhanced their opportunities. They could devote greater effort to analyzing the conditions of their small domain and more care to calculating cutting, appraising, cruising, and determining sales prices. Most important, they could give more attention to users. Although they assumed that sustained-yield management would necessarily favor large operators, it was obvious that small operators were better suited for harvesting the fragmented checkerboard tracts. These considerations accounted for the transformation of the O & C's earlier reputation in Oregon.[4]

4

THE LITTLE WAR

1939–1948

During its first decade, the young O & C Administration had to play the role of David standing up against Goliath — the Forest Service. The two agencies became increasingly belligerent toward each other on the issue of the former railroad indemnity sections intermingled with the national forests in western Oregon. Nearly half a million acres of these lands were under Forest Service administration, including both sales and protection from fire and trespass. Those responsibilities had been the basis for the Forest Service's attempts to obtain complete jurisdiction during the preceding twenty years. Because historical and legal ambiguities still remained as of 1938, veterans of those earlier efforts challenged the new O & C Administration's jurisdiction over the indemnity lands.

From his analysis of the documentary record of the revested lands, Walter Horning concluded that Interior's jurisdiction was certain but had never been asserted. The 1937 act had not specifically referred to the indemnity lands, nor had his instructions as chief forester. At the outset, therefore, he referred to them as Interior's lands in discussions with the Advisory Board and in correspondence and conferences with Forest Service officials about surveys, fire protection, grazing permits, and CCC projects. By the end of his first year in office, he realized that the jurisdictional question would be one of his administration's most serious problems.

As the forests of the Columbia River area became depleted, operators were increasingly interested in the reserves further south, especially the estimated 8½ billion board feet on the accessible indemnity lands. Early in 1939, several companies in the Umpqua National Forest (Lane County) pressed for O & C sales on nearby intermingled sections. When Regional Forester Lyle

Watts advised his superiors of the increasing demand, Forest Service officials observed that the procedure of referring applicants to the new O & C agency created a situation that would "soon become impossible from a public standpoint." The men who had led earlier efforts to obtain jurisdiction — assistant chief foresters Leon Kneipp, E. A. Sherman, and C. J. Buck — therefore pressed their chief, Ferdinand Silcox, to start an immediate campaign to gain control of the estimated 465,000 acres of indemnity lands intermingled with the Umpqua. After records were searched and inquiries made of GLO, the foresters concluded that they had a strong case for Forest Service jurisdiction and began compiling an extensive file on the subject.

Buck instructed forest supervisors in western Oregon that their jurisdiction was "entirely correct" in the matter and they could ignore contrary claims made by the O & C officials. But he and his colleagues disagreed on whether the Forest Service should seek a decision from the attorney general at that point. To "let sleeping dogs lie" might make the Forest Service look as if it were ready to "knuckle under" like "a step child." Was its case really strong enough to win at that time? Horning did not think so: whether the indemnity lands were actually "revested" or not, he reasoned, they were part of an ongoing federal–county fiscal mechanism. The Finney letter of 1923 acknowledging de facto Forest Service administration, which the Forest Service still cited, was "designed to serve temporarily" as a conservation measure until Congress passed subsequent legislation — which it did in 1937. Such was also the opinion of the Department of Agriculture's own legal officer, who "vacated" the Finney letter as an inadequate basis for continuing Forest Service control of the lands.

Horning was willing to enter into a temporary arrangement, however: an interim one-year agreement adopted in the summer of 1940. It authorized Forest Service protection of the intermingled lands at a cost of three and a third cents per acre to be paid directly by the Interior Department. Expecting that it was only a matter of time before the Forest Service would "admit our jurisdiction," Horning also proposed that receipts from indemnity-land sales be transferred to his office. "Can you do anything with your Interior buddies," Kneipp complained to Associate Chief Christopher Granger, "to keep them from swiping your timber sales receipts? . . . Our present policy is to suffer in silence; but you might wish to reconsider its wisdom." Forest Service officials debated whether or not they would inform the GLO of their purposes in advance and then submitted the matter to the Justice Department. Soon after, Attorney General Robert Jackson upheld their claim to the indemnity lands.

Secretary Ickes responded with characteristic bombast, declaring that the Justice Department had no right to rule on a request made unilaterally and surreptitiously. Confident that Interior's case would win out, he agreed to appeal the decision. Perhaps it was a tactic in his continuing campaign to convince the president to transfer the Forest Service to his department. If so, he found Roosevelt in "one of his vague periods." Ickes therefore resigned twice — both times in vain. A further blow fell that summer when his nemesis, Agriculture Secretary Henry Wallace, was chosen as the president's running mate in the forthcoming election. Forest Service officials were certain that the time had come for a campaign to win what were by now appropriately referred to as "the controverted lands."

Kneipp vainly expected that the GLO would consider the Jackson decision "definite and valid" and would order Horning to cease "any further efforts to obstruct" Forest Service sales on the lands. He was at least correct in his private feeling that Interior was "by no means easily discouraged nor lacking in ingenuity and aggressiveness." Horning unwittingly proved that point by delaying Forest Service proposals for exchanges in the Siuslaw area. He told Regional Forester Watts: "We cannot accede to your view that the land in question is part of the national forest." The attorney general's "letter" would receive careful consideration, but until further action was taken "it will be necessary for us to continue, as in the past, to exercise jurisdiction over timber sales and other matters affecting all of the O & C lands." He offered to expand existing working arrangements between the two agencies but informed applicants for the timber that there would be no change in the status of the lands.

When apprehensive AOCC members instructed Guy Cordon to seek remedial legislation to uphold Interior's jurisdiction, Forest Service officials hoped that the time needed for those deliberations would give them a chance to sharpen their strategy. Meaning to avoid "undesirable direct confrontation," they resumed making sales on the lands without official O & C approval; when the latter made sales of its own, the Forest Service shrugged the matter off as a matter of "test case." In the meantime, Watts gathered testimony from his men in the field that accused the O & C Administration of clearcutting, overcutting of old-growth timber, poor supervision of slash burning, neglect of seed trees, and collusion with selfish local interests. At best, they agreed, the O & C operation was ineffective and "decidedly in a state of flux."

When Watts offered to postpone all sales on the controverted lands as a tactic for compromise, Kneipp decided he was no match for Horning in political maneuvering. The allegations compiled by the supervisor would elicit nothing but "a bored 'So What?' " from Congress and the president, he noted. Granger agreed that any data submitted by the Forest Service must show that the O & C Administration's practices were "obviously and shockingly bad." Claude Wickard, Wallace's successor as secretary of agriculture in 1940, agreed to that tactic when he submitted objections to statutory recognition of Interior's jurisdiction to the lands. The O & C Administration's policy, he informed Senator McNary, was detrimental to forests, watersheds, the lumbering industry, and the economy of local communities. Not satisfied with that across-the-board attack, Wickard tactlessly added that award of the lands to Interior would result in "unwarranted payments" to the land-grant counties. Forest Service officials feared that their erstwhile champion was willing to let the proposal slip through without a hearing. When McNary introduced the legislation, he insisted that he was trying to further not Ickes' interests but those of Oregon's people.

Secretary Ickes' answer to Wickard embodied arguments drafted by Horning, who had come back to Washington, D.C., late in 1940 to defend Interior at conferences with the men from Agriculture and to keep an eye on any legislation affecting the O & C Administration and the public domain in Oregon. Along with other Interior loyalists, he believed that the Forest Service was trying to regain the limelight taken from it by the O & C's new ideas and sheer enthusiasm. Horning wrote the bulk of the GLO's 1940 report on Interior's forest management, and record analysts from the Budget Bureau confirmed its claims. Comparing the two federal agencies early in 1941, they noted that while the national forests had "never returned a net dollar to the United States Treasury," the O & C's holdings were already paying off dividends in local and federal funds. O & C therefore exemplified "the best there is in American forest administration," and its success warranted greater expenditures for planning sustained-yield management.[1]

THE WOLFSOHN–GRANGER AGREEMENT AND CONTINUED STALEMATE

The nation's entry into war in December 1941 precluded any immediate action on the McNary bill. Forest Service officials expected that wartime conditions would give them "a favorable and strategic position" in the controverted-lands issue: i.e., when logging operators brought pressure for access to those tracts, the Interior Department's stance would appear to be impeding the war effort. The petty sniping in Washington, D.C., was repeated in Oregon. When Horning asked Watts for information on fire-protection programs, the latter admonished him that a response would call for a special report "at a time when every effort is being made to reduce paper work during the war." Forest Service men also seemed to have forgotten one of their own earlier charges when they objected to Horning's statement that the O & C would supervise its own slash burning. Determination of all such cutting practices, a supervisor responded, "is entirely the responsibility of the Forest Service . . . while we are glad to consider suggestions made by O & C Administration . . . such suggestions are not controlling."

In order to meet increasing demands for lumber to be used in emergency construction, O & C officials tried to iron out the differences between the two agencies. The information they offered about cutting, pricing, and sales advertising merely convinced the Forest Service that its own standards were higher, wiser, and more profitable. Horning therefore decided unilaterally that applications for sales had to be made to him in writing before any timber could be sold from the controverted sections. In order to avoid arousing the Interior officials "to a high pitch of fury," Watts advised Granger to complete only those sales already offered. When Forest Service officials informed Horning of their intention to sell timber on two tracts in the Umpqua National Forest, he first agreed and then complained that the boundaries involved had not been accurately described. Turning the tables, he felt that the Forest Service could thus be accused of impeding the war effort.

Continued sniping in the field underscored the need to find some *modus operandi* until the jurisdictional issue was settled. Acting GLO Commissioner Joel Wolfsohn was especially anxious that the matter not become a public tempest as had the new Olympic National Park, where loggers demanded access to timber needed for the war effort. In February 1942, Wolfsohn and

Granger began to work together to break the stalemate. The resulting Wolfsohn–Granger Agreement of September 25 stated that the Forest Service would retain full administration of sales, but, in order to protect the national interest during the wartime emergency, these sales would be made only to meet urgent needs. Pending resolution of the jurisdictional controversy, the receipts from the sales would be put into an escrow fund at the Department of Agriculture. The terms were not to be construed as having any effect on appeals by either department or as a yielding by either to the claims of the other.

A fourth point in the agreement pointed to Walter Horning without mentioning him by name. The O & C's director had aggravated the antagonism between the departments, even while these negotiations were going on, by adhering to his demand for written authorizations before sales and saying that he "approved" of a Forest Service sale, instead of saying he did not object. When Kneipp informed Granger that his "little friends" at O & C were "playing rough again," the associate chief asked that a proviso be written into the agreement that the O & C Administration would not block Forest Service sales unless disposal of the trees was "contrary to any sustained yield program being carried out in the area." During a visit to Oregon, Wolfsohn urged Horning to adhere strictly to that understanding. Soon afterwards, Horning and Watts each pledged himself to assist the other in making only such sales from the controverted lands as were necessary for the war effort. To mark the new climate of cooperation, the agencies undertook a joint study of forest management procedures on the O & C domain.

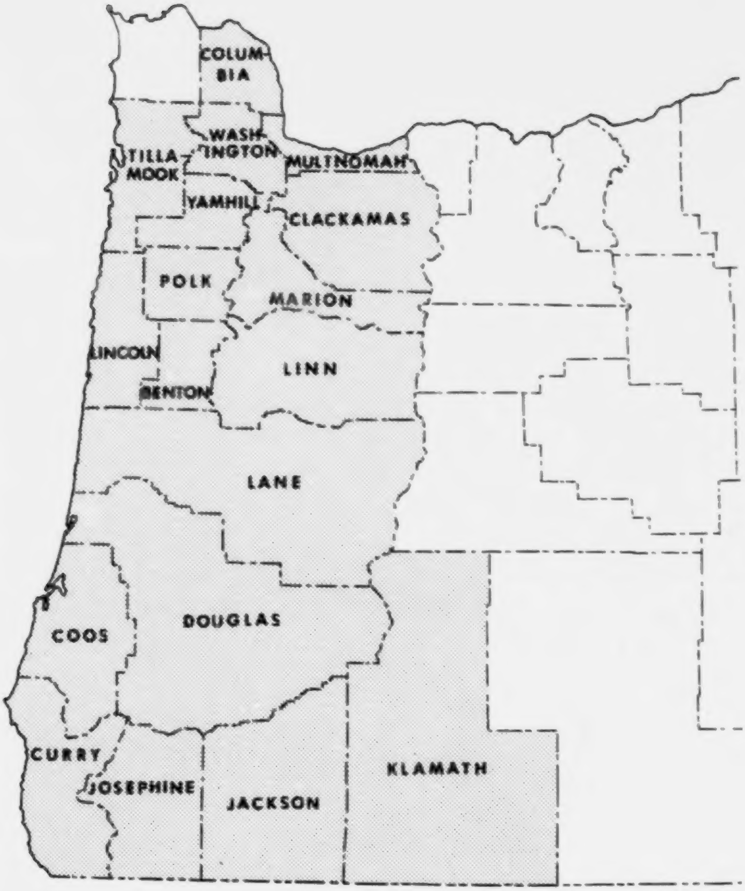
The effective life of the Wolfsohn–Granger agreement was about six months. In May 1943, GLO officials complained about further sales that the Forest Service was making on controverted sections. The comparatively smaller extent of operations on O & C lands, they thought, made broad-based Forest Service rules on logging and waste disposition inapplicable. Regional Forester Horace J. ("Hoss") Andrews summarized the differences between the management practices of the two agencies: "O & C does not cut like we do and does not dispose of slash like we do. They cut heavier than we do but do not quite practice clearcutting. This results in an impossible slash burning condition." When Wolfsohn seemed ready to accept Forest Service's modifications of the agreement, Horning objected to that agency's method of "broadcast" slash burning because it increased rather than reduced the fire hazard. But he did no more to modify his claim to authority than permit purchasers to submit written application directly to the O & C Administration instead of the Forest Service. That was a innocuous irritant, Andrews decided; the Forest Service might tactfully accept it in exchange for an amendment to the agreement describing actual sales procedures. He declined, however, to adopt O & C marketing regulations. Wolfsohn again spoke with Horning, and then upheld his subordinate's right to object whenever Forest Service prices were lower than those of O & C appraisals. Kneipp had had enough of these "subtle varieties of negotiating . . . our authority in relation to the controverted lands is either 100 percent or zero." It was time to return to "the old order" of "strategy and tactics," he decided.

Secretary Wickard agreed with Kneipp. When McNary's bill was resubmitted in May 1943, several members insisted on holding full hearings so that Agriculture could present its argument. In a pugnacious statement, Wickard denigrated Interior's record as a conservator of O & C timber. Oregon's tax commissioner countered by describing Forest Service sales as "pitifully small." (In Coos County, he said, the O & C earned forty times as much revenue.) Granger then testified that O & C cutting practices were "shockingly bad": e.g., its alleged selective logging standards were based on nothing more than tree diameter. Joel Wolfsohn's testimony seemed no match for his adversaries. "Oh for a Rufus Poole!" Horning cried out in his correspondence with Cordon. Apparently disgruntled over the agreement made with Granger, he charged that the acting commissioner did not really appreciate how deeply Ickes had felt about the emnity of the Forest Service during the struggle for the 1937 act. "The Secretary approves of frankness and direct action methods," Horning noted, "but unfortunately he is unavoidably hemmed in by various officials whose ways are devious." As a result, Ickes was "pretty apt to raise hell with me in a very unpleasant way."

Instead, Ickes directed his wrath against the Department of Agriculture. Drawing upon a brief compiled by Horning, he countered Wickard's list of Interior's sins of omission; he noted that former Forest Service Chief William Greeley had accepted the O & C designation of the indemnity lands in a 1922 request for a fire-protection appropriation. Unlike the men at Agriculture, Ickes tactfully praised Congress's concern for extinguishing the federal debt to the land-grant counties. That sum, he told the committee, was about to be paid off, but Forest Service jurisdiction over the controverted lands would reduce the funds by 20 percent. Moreover, each section of the O & C domain was administered at a fraction of the cost needed for managing a comparable area of national forest. Contrary to the Forest Service's contention that the checkerboard configuration made efficient control more difficult, Ickes asserted that if was of "great strategic importance as the means of promoting desirable forest conservation practices" among all owners on contiguous lands. In response to the testimony, the committee issued promises that fell "thicker than Oregon's June rains" (as Cordon said), but it took no action on the McNary bill. Wolfsohn's attempts to mollify some members through compromises were no more effective than the promises.

In August 1943, some of the senators held additional hearings in Eugene. With them was Oregon Congressman Harris Ellsworth, former editor of the Roseburg *News-Tribune*, whose interest in the O & C problems Horning had been cultivating assiduously. The sessions proved to be the Interior Department's show. David Mason declared that concerned lumbermen preferred O & C practices to those of the Forest Service. George Gerlinger not only supported the McNary measure but called for Interior's jurisdiction over all of the national forests as well. Veteran forester Stuart Moir, who was a member of the Advisory Board, described O & C management as effective and efficient. Cordon met with the committee members in private while Wolfsohn saw to it that representatives of satisfied lumber organizations dominated the testimony. Afterward, Horning took the members through "some beautiful timber" being either selectively logged or clearcut in the vicinity of Oregon City. "It was obvious that the whole hearing was thimble rigged," Hoss Andrews grumbled to Lyle Watts. Even the Oregon newspapers seemed to remain silent on the subject of the meetings. On the other land, Horning suspected that Forest Service men in the southern part of Ellsworth's district were spreading doubts about the congressman's political future and trying to split the ranks of the land-grant counties.

Bolstered by the mood of the Eugene hearings, Horning adhered to his personal interpretation of the Wolfsohn–Granger agreement. He judged Forest Service sales from the controverted lands not on the basis of general wartime needs but on the basis of the O & C Administration's specific cutting procedures. Although he approved of several sales, he remained watchful of what he called "border incidents" and continued to insist on controlling

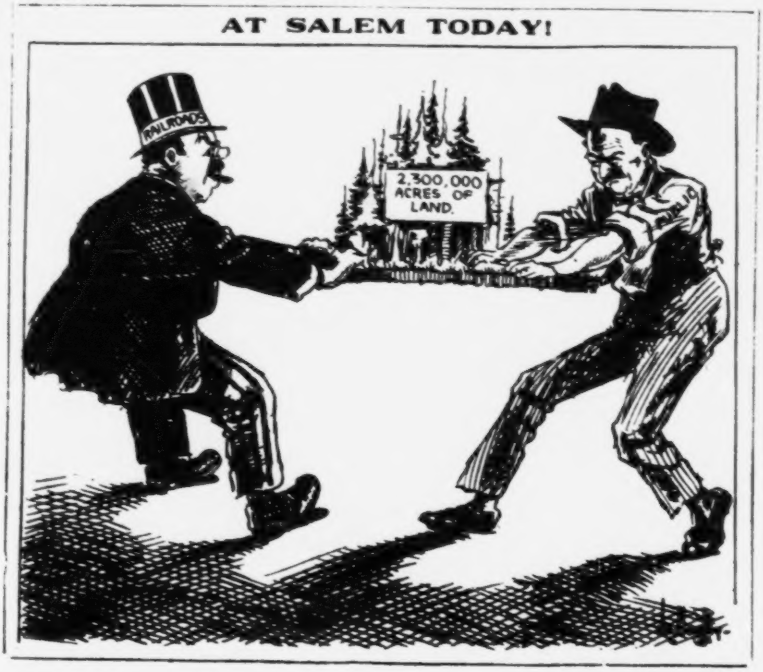

COLUMBIA
WASHINGTON
TILLAMOOK
MULTNOMAH
YAMHILL
CLACKAMAS
POLK
MARION
LINCOLN
LINN
BENTON
LANE
COOS
DOUGLAS
CURRY
JOSEPHINE
JACKSON
KLAMATH

The eighteen O & C counties

best copy available

Henry Villard, with derby and watch chain, flanked by engineer Hans Theilson (left) and United States Senator Joseph Dolph (right), at the Oregon and California Railroad station, Portland, in 1883. Courtesy Oregon Historical Society.

Track of the Oregon and California Railroad between New Era and Canby, Oregon, 1870. Courtesy Oregon Historical Society.


AT SALEM TODAY!
RAILROADS
2,300,000 ACRES OF LAND.

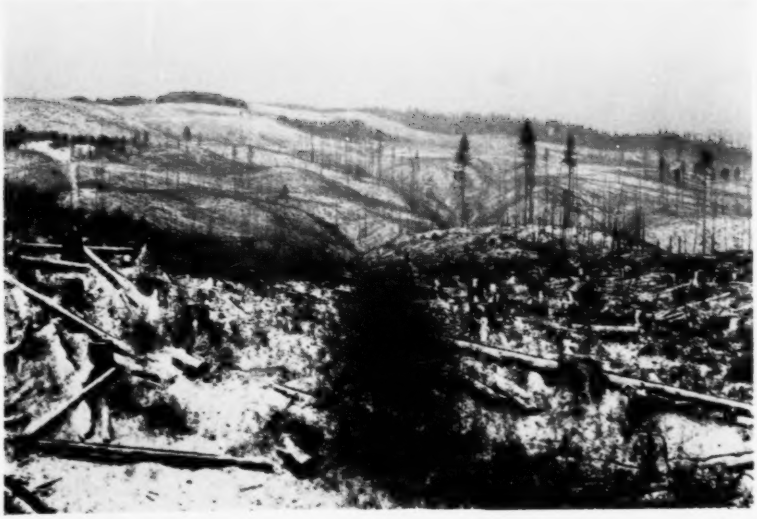
Above: Cartoon from the *Oregon Journal* (Portland), September 10, 1915 — shortly after the United States Supreme Court reaffirmed Judge Charles Wolverton's decision giving Congress the power to redispose of the O & C lands. Reproduction courtesy Oregon Historical Society. *Below:* Ernest P. Rands, cadastral engineer for the General Land Office, who administered the O & C/CB lands for twenty years. The photograph was taken about 1938, when Rands was 70. Courtesy Ken Burkholder.

David T. Mason, consulting forester, proponent of sustained-yield forest management embodied in the O & C Act of 1937. Courtesy Oregon Historical Society.

George Gerlinger, leader of the Willamette Valley Lumbermen's Association and advocate of federal legislation for effective management of the O & C lands, 1935–1937. Courtesy Oregon Historical Society.

Harold Ickes, secretary of the interior from 1933 to 1945. He successfully welded concern for the public interest with administrative ambition to secure a statutory basis for sustained-yield management of the O & C forests. Courtesy National Archives.

Walter Horning, Chief Forester and first director of the O & C Administration. American Forestry Association Papers, courtesy Forest History Society.



Before application of sustained-yield management, many O & C sections in the northernmost of the land-grant counties had been logged off like this area in Columbia County and had reverted to the counties for unpaid taxes. U.S. Forest Service photo, courtesy Ken Burkholder.

In the southernmost of the land-grant counties, many O & C sections contained stands of old-growth Douglas fir that furnished a high percentage of upper-grade lumber. U.S. Forest Service photo, courtesy Ken Burkholder.

Guy Cordon, for over thirty years tribune of the eighteen O & C counties — first as their lobbyist and then as United States Senator. Courtesy Oregon Historical Society.

Charles Sprague, former governor of Oregon and longtime member and chairman of the O & C Advisory Board. Courtesy Oregon Historical Society.

C. Girard Davidson, assistant secretary of the interior from 1946 to 1951, who promulgated a new policy for the O & C forests in 1948. Courtesy Oregon Historical Society.

Marion Clawson, director of the Bureau of Land Management from 1947 to 1953.

Virgin timber stands in the Eugene District. Courtesy U.S. Department of the Interior, Bureau of Land Management.

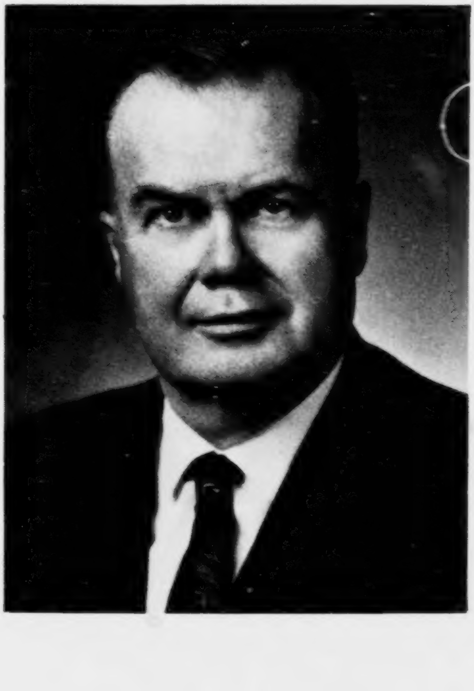
BUREAU OF LAND MANAGEMENT
QUARTZVILLE
TIMBER ACCESS ROAD
PERMITS REQUIRED

A typical timber-access road — a route for both timber harvest and recreational activities — in the Salem District. Courtesy U.S. Department of the Interior, Bureau of Land Management.

Staggered harvest tracts on the ridge of the Haight Creek drainage, Eugene District. Courtesy U.S. Department of the Interior, Bureau of Land Management.

Dan Goldy (above) and Russell Getty (right), whose administration of the O & C lands involved them in years of controversy. Courtesy Dan Goldy and Oregon State Office, BLM.

Edward Woozley (right) and Boyd Rasmussen (below), whose tenure as directors of the Bureau of Land Management involved extensive realignment of policies for the O & C lands. Courtesy Edward Woozley and Oregon State Office, BLM.



Timber-sale setting for high-lead logging on O & C lands near Salem. Courtesy U.S. Department of the Interior, Bureau of Land Management.

O & C lands logged by the McDowell Creek Logging Company in 1941, showing the heavy accumulation of slash following logging in mature Douglas fir stands. Because the debris created an extreme hazard, burning was often necessary. Courtesy U.S. Department of the Interior, Bureau of Land Management.

access-road right-of-way permits. Forest Service personnel viewed O & C behavior as "somewhat arbitrary and overly critical" and its actions as "definite evidence" that it was violating the terms of the agreement and permitting serious overcutting. Discussions between the bureaus fell through when neither would agree on adjusting timber valuations in the cutover northern portion of the O & C domain in comparison with those for the southern areas where most standing timber remained. Kneipp, for one, was willing to "suffer" such "mild annoyances and embarrassments" pending outcome of Interior's appeal of the attorney general's opinions.

Forest Service officials took comfort in the fact that Attorney General Jackson's 1940 opinion still prevailed and that his successor, Francis Biddle, did not "feel at liberty" to withdraw it at Ickes' request. They also assumed that sales policy would not be changed on the controverted lands no matter who won the contest for jurisdiction. The controversy momentarily receded when McNary sponsored a bill of far greater potential advantage to both departments. Ever since 1941, he had supported a wider application of David Mason's sustained-yield concept that would enable both Agriculture and Interior to enter into cooperative agreements with private owners of timberland adjacent to public forests. The lumber industry's initial apprehension about "dangers of government compulsion" precluded action on the bill until 1944, just before McNary's death. President Roosevelt signed the measure — which became Public Law 273 — on March 29.

Evidently encouraged by their success in Congress, Forest Service officials returned to the controverted-lands issue. They sought GLO approval of an increase in fire-protection payments from three and a third cents per acre to six cents; when that was rejected, they pressed for a revision of the Wolfsohn–Granger agreement. Horning opposed any changes on the grounds that the Forest Service did not practice sustained yield. But he believed that the controverted-lands question "must be settled once and for all so that we can proceed with our cooperative sustained yield management program." Ickes assigned one of his most trusted aides, First Assistant Secretary Michael Straus, to oversee the department's strategy, perhaps as a response to Horning's doubts about Wolfsohn's shortcomings.

For many months, the subject was debated in the public press (the *Washington Post* found in it a symbolic struggle against "the greediest landlord in the history of the world") and among members of professional forestry organizations. Renewing earlier assaults, veteran critics H. H. Chapman and Samuel Dana decried what they saw as Interior's vaulting ambition: "first Olympic Park, next the proposed Cascade Park, and now this." Emanuel Fritz tried to publish Horning's response to these attacks, but Interior officials declined to give their permission. Impressive support came from William Greeley, who asserted that the whole country should know just what the O & C administrators were doing: their agency had won general confidence and respect by moving ahead rapidly and aggressively in setting up sustained-yield units and by encouraging private operators to qualify for cooperative agreements even before passage of PL 273. The McNary controverted-lands bill was therefore consistent with the intent of the 1937 act. "The blind followers of the Forest Service cult," Horning complained, were nevertheless able to block confirmation of Interior's jurisdiction by "spreading lies" about O & C practices.

The question was not taken up again until the end of the war was in sight early in 1945. Congressman Ellsworth's zeal seemed to have flagged, but great determination marked the efforts of McNary's successor in the Senate. Guy Cordon of the AOCC had been mentioned as a candidate for that place for several years but had rejected the idea because he thought he could accomplish more as a lobbyist. When he was appointed after McNary's death, the land-grant counties knew that their interests would be well protected.

Although Cordon generally supported Forest Service policies and often joined the critics of Interior on other subjects, he opposed any alteration in the county-receipts formula. Despite his unimpressive appearance, his intellectual abilities earned his adversaries' respect. In 1945 and again in 1946, Cordon prevent his fellow Republicans from cutting the O & C budget by a third. He also introduced a bill giving Interior jurisdiction over the O & C indemnity lands and requiring the land-grant counties to pay for fire protection and reforestation out of their share of timber-sale receipts.

Consideration of his proposal bogged down repeatedly in a tired recapitulation of the old charges and countercharges. Watts used the occasion to reassert Forest Service authority to handle right-of-way permits on the controverted lands: "we are granting no rights," he informed Horning, "we are yielding no sovereignty, we are only trying to maintain an operative situation in a reasonable manner." In reply, Horning advised him that "the puny chip which I had been carrying on my shoulder" had been replaced with a "bigger and better one." With Wolfsohn's support, he chose to bide his time without revealing his strategy.

When the war ended later in 1945, Horning concluded that the purpose behind the Wolfsohn–Granger agreement was no longer relevant and asked his superiors to clarify his authority to make additional sales on the controverted lands. At the same time, he advocated employment of veterans in forest conservation and an increase in the sustained-yield allowable cut to meet federal promotion of housing construction. Those proposals seemed to have a better chance for acceptance, partly because a larger measure of harmony prevailed between the two departments at the outset of the new administration of President Harry Truman. Lyle Watts, whom Wickard had appointed Forest Service chief two years before, now advised Clinton Anderson, the new secretary of agriculture, to seek accommodation with Interior. In a private agreement, Anderson and Ickes decided that the president should settle the controverted-lands matter. Truman was ready to do so, but the Bureau of the Budget advised him to wait until Congress acted on his proposed reorganization of departmental jurisdiction. Ickes actually had no intention of acquiescing in transfer of the lands to the Forest Service. Privately, he advised Truman that Roosevelt had intended for them to remain where Congress had put them: in Interior's domain. While defending other portions of that domain, Ickes found the president far less patient with his curmudgeonly ways than Roosevelt had been. In June 1946, Truman concluded that Ickes had gotten "too big for his breeches" and accepted his resignation.

Reorganization at Interior

The new secretary of the interior, Julius Krug, was chosen primarily to implement Truman's proposals for regional river-basin water and power authorities throughout the West. Although he knew little of forest-management problems, he was a quick learner and well briefed on the administrative aspects of the subject. In a thirty-page memo describing 120 major policy problems, Undersecretary Oscar Chapman advised him that Cordon's pending legislation would settle the controverted-lands issue. The prospect for its passage was brighter than ever before. Anxious to avoid the debilitating wrangling of his predecessor's regime, the genial Krug joined with Anderson in an informal "non-aggression pact," promising that neither would raid the other's departmental jurisdiction while Truman was president. Chapman gave public notice of this new day by praising the Forest Service in a speech to the American Forestry Congress in October 1946 and by presiding over a committee that included foresters from both agencies.

With the air thus apparently cleared of bureaucratic contention, and with a marked rise in O & C sales to quiet the apprehensions of the land-grant counties, Cordon reintroduced his bill early in 1947. By its terms Interior would abandon claim to all the indemnity sections after a series of land transfers with the Forest Service were completed and a demarcation line drawn between the jurisdictions of each. Cordon privately urged the Forest Service to be "generous." Because Forest Service partisans supported the transfer scheme, the bill appeared to favor that agency unduly and cries of "sell out" arose among county and corporate organizations in Oregon. Stuart Moir lamented: "It is too bad a fighter like Ickes is not now in Interior to give battle to the Forest Service."

In the field, O & C administrators observed that cutting on the controverted lands was reaching the sustained-yield limit, while the demand for sales was increasing as logging operations penetrated deeper into old-growth timber. (This was not, as some critics claimed, the result of clearcutting. In 1947, only 35 percent of O & C harvest was done by that method. Selective cutting was used in 47 percent of the operations, but Horning was one of many foresters who believed Douglas fir did not grow well after selective logging.) In keeping with Krug's emphasis, Horning intended "no aggression" at the expense of the Forest Service, but in July he reported that the agency had failed to provide him with adequate data about sales. Andrews retorted that the O & C Administration was slowing down those transactions. It was obvious to both officials that the Wolfsohn–Granger agreement would have to be revised.

In a similar manner, the good intentions of the men at Agriculture broke down. Secretary Anderson had at first declined to issue Forest Service criticism of O & C over his own signature, and a call from the White House had prevented Associate Chief Granger from appearing before congressional committees to testify. Granger concluded that his chief would not challenge Interior's efforts to keep "another little Forest Service" of its own. But Anderson's advisors saw a new opportunity when the Republicans took control of the Eightieth Congress in 1947, with Cordon overseeing public-land matters in the Senate. Although Anderson informed Cordon that he did not think the exchange provision was feasible, his report to the senator's committee was couched in terms that renewed the old controversy with Interior. After Horning reminded Cordon that the land-grant counties would never recover their annual tax loss unless Interior's jurisdiction was retained, Anderson accused that department of appealing to "pecuniary" interests and going back on what seemed earlier assurances that it would remain neutral while Congress disposed of the problem. Each side therefore charged the other with destroying the "non-aggression pact." Horning was resigned to the situation. "It seems there was a fellow named Job somewhere back in the old testament," he observed, "who was noted for patience and long suffering. Was he by any chance an employee of the Department of the Interior?" Cordon and Ellsworth reintroduced their bill in 1948, partly to boost their chance for re-election, but it was ignored amid larger issues that year. (Some overconfident Republicans expected that Cordon would be secretary of the interior after their victory in November.)

If the Forest Service considered the controverted-lands issues nothing less than "an event in the fight . . . to try to change the point of view of the United States" about forest management (as Leon Kneipp said later), Interior had a similarly large view of its own purpose. During these same years, department heads were preoccupied with administrative reorganization. Ickes' old ambition had been shelved during the war, but never discarded; Krug himself had worked with Lee Muck on administrative adjustments to be made in the event the Forest Service was transferred to a newly designated Department of Natural Resources. Although they assumed that agency would have to be altered, they believed that all other changes could be effected simply. Early in 1946, Chapman briefed Krug on the specific proposal for combining the GLO with the Grazing Service into a Bureau of Land Management (BLM) in order to insure "better correlation of policies and somewhat more efficient and economical operation."

Establishment of the BLM in July drew fire from Republicans in the Seventh-ninth Congress, whose western members seemed intent on overthrowing the New Deal's grazing and mining regulations. One of their leaders was Cordon, who unsuccessfully opposed the reorganization order. In the debates, he expressed doubts about the competency of the department's staff to do what the proposed agency's title promised. His colleagues on the Senate Interior Committee assaulted both departments' land-management policies. Their attacks in turn alarmed increasingly influential conservationist organizations such as the Izaak Walton League. When Congress thereafter cut the BLM's appropriations, Interior supporters protested that the alleged economies merely hurt the development of resources in the western states. The Truman administration's proposals for regional water-power authorities also brought cries of "socialism" from the opposition, and that tar brush was readily applied to other programs proposed by the new team at Interior, including a proposed Columbia Valley Authority. Proposals for transferring BLM to Agriculture this time brought thunderous rebuttals from Ickes and his former associates.

In that climate of hostility, Krug's lieutenants took up the task of renovating the department's resource-management administration. Foremost among his "bright young men" was C. Girard ("Jebby") Davidson, a Louisianan transplanted to Oregon as counsel to the Bonneville Power Administration, who was named assistant secretary for public lands. (Senator Cordon informed Davidson privately, "You are the last person I would nominate for that job"; but senators did not nominate and he knew of no flaw in Davidson's "moral character," so he agreed to vote for him.) The appointee knew more about water-power development than about forestry, but he and Krug shared a conviction that all federal resource policies and lands could be made instruments of democracy much as their nineteenth-century predecessors had believed in using railroad grants to that end. Because Krug did not devote full time to department problems, Davidson and Oscar Chapman made many of the decisions issued over the secretary's signature. Chapman did not, however, believe in his associates' principal purpose: "Krug and I had one philosophy," Davidson recalled, "— decentralization." While Chapman did not balk, he was "just not constitutionally in tune with it."

Indeed, Davidson soon recognized that the officials of the Ickes regime were not ready to abandon their centralist habits of thought and procedure. Because of Commissioner Johnson's incapacity, every land matter had gone to Wolfsohn. Davidson therefore assigned his deputy, Daniel Goldy, to oversee land policies. Oregon was now grouped with the other states in the Pacific Northwest to make up Region One of the BLM's jurisdictions. The O & C Administration was abolished and its functions were made a part of the bureau's Forestry and Range Division under the direction of A. Z. Nelson. These changes, Wolfsohn assured Horning, would not affect the O & C's policies, but the latter was somewhat disgruntled. His own preference had been for the creation of just one land office for each state, with a director authorized to take final action in most cases. In keeping with Davidson's declared purpose of putting "top, key people, the most brains" in the field, Horning was named administrator of Region One. But now his responsibilities included management of all resources on all parts of the public domain. After spending nine years explaining the meaning of his former agency, he complained privately, he would now have to do the same with the new titles.

Davidson, it was said, had the bit between his teeth in reorganizing the department's public-lands administration. But after a full year of work, new authorities were still ill-defined because Krug was unable to find a man to direct the BLM. That agency's affairs, Budget Bureau analysts reported, remained in "a chaotic and deplorable condition," while management of O & C lands was an "odious and indefensible situation that . . . must be resolved soon." Such criticism may have referred to BLM's lack of long-term budgetary and administrative planning for the O & C lands, to the preference given to eight or nine large operators in O & C sales, or to a failure to update earlier timberland classifications. For Jebby Davidson, policy for the O & C lands was "a very small thing" compared to grazing and other responsibilities of his office. He therefore depended upon others to untangle its complexities. Although he was unable to act on them personally, he had definite views on the subject. For example, he felt that those lands should be administered by the Forest Service because lumbermen should not be subject to two lines of federal authority. Above all, he believed that BLM needed a "full time" director. Former Commissioner Johnson was, of course, too ill to fill that requirement. His successor, land economist Marion Clawson, was more receptive to all points of view than was Horning or Wolfsohn and kept field administrators informed of what was happening in Interior and the Congress. He was not yet in office, however, when the BLM launched a major new program for the O & C lands.[3]

5

"SOME FUNDAMENTAL PROBLEMS OF GOVERNMENT"

1939–1949

MASTER UNITS AND COOPERATIVE AGREEMENTS

The indemnity-lands controversy was a "major obstacle" to Walter Horning's far more important efforts to devise a system that would implement the sustained-yield directive of the 1937 act. Between 1939 and 1941 his land-use planner, Richard Kearns, outlined a program for dividing 60 percent of O & C's domain (one and a quarter million acres) into twelve master units. In each, continual production within the limits of the allowable cut would be assured. Basic geographical and silvicultural information and a formula for calculating potential productive capacity were compiled in the field by Travis Tyrrell and his assistant Gene Knudson. In 1942, their "Forest Management Handbook" was ready to be used in determining which units would provide the best sites for cooperative agreements between the holders of private and federal forest lands in the O & C checkerboard. Each forest unit would be the basis for a permanent source of timber supply and an effective means for sustaining dependent communities. Cooperative agreements established to last 100 years (considered the standard period for proper forest management) would be the core of coordinated management and the framework for future administration of the O & C lands.

During those same years, Horning and his staff discussed the proposed program with Interior's analysts and solicitors, who saw it as an alternative to full federal regulation and as a means to work around congressional budget-blockers. Talks were also held with established lumbermen and representatives of lumber organizations in western Oregon. Those who seemed most likely to participate as "cooperators" were encouraged to begin making necessary purchases, exchanges, and financial arrangements. In meetings of the O & C Advisory Board David Mason frequently called for discussion of the proposal, and he also offered his views to Horning in private conversations and correspondence. With characteristic perception, Mason recognized that the "obviously broad authority" given to the secretary of the interior by the Act of 1937 could be the basis for "no end of objectionable requirements." Both men therefore emphasized that the cooperative agreement must be "a two-way one which the private operator should not enter into unless he is satisfied with it." In effect, the lumbermen would accept and participate in Interior's responsibility for obtaining the highest bid necessary to assure the permanence of dependent communities. Competition in bidding that was encouraged before confirmation of such agreements could not be permitted afterward. Other operators could obtain part of their timber in "set-asides" of adjacent non-unit O & C lands.

Horning received Interior's approval of formal cooperative agreements and marketing areas in May 1944. Because of the recent passage of PL 273, the Forest Service showed particular interest in the plan. Eventually, the traditional antipathy between the two departments caused Interior officials to decline participation in a joint program with Agriculture (as authorized by both the 1937 and the 1944 legislation) and set up its own sustained-yield units. Joel Wolfsohn therefore urged Oscar Chapman to take immediate action on the plan. Accepting the GLO's reasoning that the end of the war was "reasonably close," Chapman agreed to call for public hearings on the units and agreements in Eugene in November. Further action was delayed for thirteen months after the hearings, probably because neither the GLO nor the Forest Service was convinced that joint administration of cooperative units was advantageous. Specifically, Forest Service analysts believed that there were too many legal problems involved, and that operators would play each agency against the other for selfish advantage.

When Oregonians representing a variety of interests leveled criticism against the 100-year term of the proposed cooperative agreements, Secretary Ickes defended that tenure as a means of shielding both lumber workers and lumber companies from the ill effects of a fluctuating economy. A spokesman for a lumberworkers' union disagreed: the department was going to be "holding out public timber as bait" instead of using "force" to secure compliance with sustained-yield management. The GLO's publicists declared that both small and large operators were encouraged to participate in sustained-yield agreements, but some small companies believed that the allowable cut should be divided only among their kind. William Greeley considered the plan both fair and sound, because any operator who expected to obtain a long-term contract with the O & C Administration "must first put some blue chips on the table himself in the form of substantial areas of well-managed forest growing land."

By 1945, Kearns's original proposals had been substantially enlarged: under a new plan the twelve master units would be subdivided into 110 areas that could be involved in cooperative agreements. The first of these was to be established in an area drained by the Siuslaw River in Lane County. With sales for 1946 estimated to match the 400 million board feet of the previous year, a total annual cut of 606,664,000 board feet was proposed for all twelve units. The Siuslaw cooperative unit's 145,858 O & C acres would produce 46 million board feet out of a total allowable cut of 130 million. Fifty-eight percent of the area to be included was privately owned — most of it by seven lumber companies, including Hult and Long Bell. Thirty percent was O & C land and the remainder was national forest, county land, and public domain. Fifty-seven percent of the timber thereon was merchantable, while 26 percent was small second growth; the remainder of the land could be used for reforestation. Lumbering operations that in 1945 supported 6.85 workers per million board feet would, after establishment of the sustained yield program, support 19.23 workers per million board feet, or a total of 2,500 workers. The counties' receipts in lieu of taxes would be paid at a rate of 37.2 cents per acre and increased after thirty years because of the effects of improved forest management.

Hearings were held in March 1945 in Eugene. While the boundaries of the master units were questioned, the strongest objections were directed at the idea of cooperative agreements within each unit. For many months Oregonians discussed the proposals. Former governor Charles Sprague, a member of the Advisory Board, found the government's "guinea pig" acceptable because both law and economic necessity compelled it to put lumber operations on a sustained-yield basis. The timber would last only thirty years if cut on an independent basis; second growth would not be marketable until fifteen years after that. "It is wiser to look ahead and smooth off by degrees," he argued, "than to go full speed and then drop over the cliff." Operators owning sufficient forest lands could afford to practice controlled cutting. "It would be a grave mistake," he warned, "to sabotage it under the pressure of private interests indifferent to the region's future welfare." That was a reference to those whom H. J. Cox, secretary–manager of the WVLA, described as "gyppo timber men" owning small sawmills, the majority of which had been born of wartime opportunities. None of these owners had any stake in the lumber industry or forest resources, Cox asserted, except to cut and get out "as soon as restoration of the law of supply brings back normal competition in the forest products industry."

A group of small-mill operators with little timberland of their own who were members of a Western Association of Loggers and Lumbermen (WALL) had disturbed the *pro forma* mood of the Eugene hearings by presenting a list of charges against the government's proposal. It would not achieve sustained yield or enhance county receipts, WALL's spokesmen claimed, and therefore was a violation of the 1937 act. They suggested other ways in which the government could proceed: one was to provide technical and economic assistance resembling prevailing subsidies for farm products. The association also denounced the government's solicitude for the seven companies who owned most of the private land in the proposed unit because the agreement would preserve their monopoly for 100 years. They questioned the fact that such an inordinate tenure period for the contracts had been proclaimed by Interior, not by an act of Congress.

POLICY OVERHAULED

The Siuslaw Master Unit was not established until December 1946. The following July, hearings were held in Roseburg and Salem to discuss the other eleven master units. In spite of WALL's continued warning to small operators that "you are out of business" if the O & C Administration's program was put into effect, the meetings drew more support than criticism. Horning guessed that all units would be proclaimed before December 13 and jocularly begged A. Z. Nelson " to protect my bets for me." He won. The Interior Department established the other eleven units on November 29, 1947. The criticisms expressed at Eugene had convinced both federal and local supporters that while master units were acceptable, further hearings on the cooperative agreements would have to be delayed. (Proponents were encouraged when the Forest Service had established its proposed Shelton Unit in southwestern Washington. Its problem was much simpler, however: 58.8 percent of the 270,000 acres involved was owned by just one company.) In the meantime, Interior's officials scrutinized their own plan. Was it desirable to employ an administrative device that would make it impossible to adjust boundaries, regulations, and receipts over a long period? Should a single unit be established first, or several, or all at once? Nelson confessed that he did not understand the purpose of the whole program. Hearings on master units were expensive and engendered public misunderstanding, he wrote. Perhaps it would be wiser to hold them on smaller units.

> If our announced approach is building from the ground up — slowly and deliberately — with accumulating experience to guide our progress and with every effort being made to solve our problems from the viewpoint of the public interest as they may arise, it would seem that the opposition would be much less than with the master unit approach wherein it appears to the laymen that we have all our plans pretty well formulated and the acres allocated.

Interior Secretary Julius Krug met with his aides and with consultants including Mason to examine O & C policy problems. Like Jebby Davidson, he was undoubtedly apprehensive that the critics' cry of "monopoly" would undermine public respect for both the department and the Truman administration. The assistant secretary realized, however, that "there may be no way of accomplishing the conservation objectives except by establishing what amounts to a monopoly, by giving preference to a few well-established lumber companies who now own lands adjacent to the public forests, and by freezing out less favored companies, and enterprises not yet in the picture." Because he was anxious to demonstrate the quality of BLM's purpose and procedures, he resented the year-long delay. Did all of the issues have to be faced at once? Lee Muck recommended that the units be established, but that the department should also announce that the details of the agreements had yet to be resolved.

In January 1947, "after a full year of delay and even then with a reluctant and shuddering sort of way" (as Horning described it), Interior was ready to hold hearings on the first cooperative agreement — with the Hult Lumber Company of Lane County. A major obstacle appeared when the Forest Service declined to have 8,000 acres of Siuslaw National Forest included in the proposal. Interior officials therefore decided to make a beginning with another unit, one on the Mohawk River northeast of Eugene in the same county. It would contain no national forest lands and would primarily involve just one timberland owner, the Fischer Lumber Company of Marcola, a medium-size enterprise. Smaller owners in the area were invited to become cooperators as well so that there would be no undue delay in launching the program.

Because most of the privately held merchantable timber was nearly exhausted, Horning felt it necessary to act quickly. Recommending that hearings be held in Eugene in September 1947, he sent the proposed arrangements to Muck and Wolfsohn. They countersigned them and sent them to Assistant Secretary Davidson for his signature. The three colleagues had been using that procedure for over a decade of working together on O & C, but it was not Davidson's idea of proper administrative method. As he recalled the incident years later, their recommendation did not describe the terms of the cooperative agreement nor say who favored it and who opposed it. Moreover, the plan arrived on his desk so late in the working day that he was too tired to wade through it. Goldy scrutinized the proposal and warned his chief that it was very controversial. Its authors, he pointed out, made no reference to any objectors, yet protests had been piling up in the assistant secretary's office. Davidson regretfully concluded that Horning and Wolfson were trying to sell him "a bill of goods." The matter, he recognized, involved "some fundamental problems of government" — for example, monopoly and competition, employment and community stability. None of these matters seemed to have been taken into account sufficiently. The situation exemplified what Davidson considered a tendency toward "government by fluke." The three veteran bureaucrats, long used to having their experienced views and recommendations accepted, were in turn shocked when he informed them that he would discuss the proposal during an inspection trip to Oregon later in the season.

The gravity of the situation was underscored when Davidson and the O & C officials arrived in Eugene on January 21, 1948. In Mason's opinion it was "a bad time and place to hold a public hearing on a proposal to dedicate certain public timber to operation by a single sawmill." (He may have been referring to the highly charged political climate of Oregon Republican attacks on the Truman administration's resource policy in the primary election campaign.) Instead of the half-dozen interested persons they had anticipated, the crowd was so large the session had to be moved to an auditorium building. Davidson began the hearing by declaring that he kept an open mind on the subject of the Interior Department's proposal and was looking for suggestions for a better plan if this one was deemed inadequate. Horning then asked his forest manager, Travis Tyrrell, to present a description of the proposed Mohawk Cooperative Unit. As the first of eight or ten such divisions, it would straddle a county line, with two-thirds of its bulk in Lane and one-third in Linn. All but 160 of its 34,505 federal acres were O & C sections or portions thereof. An additional 19,058 acres were to be committed by Fischer and 22,388 acres were to be added from tracts currently scattered in state, county, and other private holdings.

The federal forests in the unit contained 465 million board feet of merchantable timber; Fischer's portions held 125 million. The company was to add to its total by purchasing additional tracts. All timber would be cut at an annual rate of 20 million board feet for the first ten years and 14 million board feet for the remainder of the 100-year term of the agreement. The agreement would preclude cut-and-get-out procedures on the part of the cooperators. O & C emphasized that the prevailing cutting schedules took twice as much timber from the area as the proposed annual cut. Eugene civic and business leaders were convinced that income from the unit was essential in order to meet the increasing costs of facilities and services in their rapidly growing community. Even more so than in the past, they testified, timber was "a major factor in our present and future economy."

David Mason privately considered the government's proposal a means to more important ends. Like the legislation of 1937 and 1944, its object was to get as much forest land under sustained yield as possible so that data for maximum continuous supply could be assessed and requirements for economic stability determined. In his remarks to the meeting, however, he addressed the emotional issues threatening adoption of the plan. Likening it to the work of the Corps of Engineers, which was then fighting floods in the Pacific Northwest, he said that the unit would be built "for the control of floods of timber that were glutting the market." Acknowledging prevailing concern over "socialism" in federal resource policies, he pronounced the proposal "neither extremely to the right . . . nor extremely left in doing it all with an iron rod — sovietizing everything in the country. The O & C middle-of-the-road plan is based on cooperation. It is sound."

As soon as Mason sat down, "all hell broke loose" (as Davidson remarked later). WALL had by no means "lost most of its punch" since the master-unit hearings, as some observers assumed. It now included a newcomer to its ranks of adherents: the local chapter of the Izaak Walton League. The conservationists' spokesman maintained that the plan made no provision for access by sportsmen or recreational use and did not prevent stream pollution. In sum, it constituted an abandonment of the principle of multiple-use forestry. WALL's leader, Frank Reid, was assisted by Reginald Titus of the Western Forest Industries Assocation (WFIA), an organization of smaller operators; by Earl Mason, former dean of the School of Forestry at Oregon State College; and by Leif Erickson, a former Montana judge. They asked questions that disturbed both supporters and critics. On what basis would the government choose the communities to be maintained by the unit? Could any government expert say what the demand for forest products would be by the year 2000? For example, if such a plan had been established in 1848, would not lumbering still consist of sawing by hand and milling with water wheels? How could standards and requirements written now be adjusted to inevitable changes in technology and needs? What would happen to profits and property rights if a cooperator defaulted or was dismissed from the agreement for violating its terms?

Federal officials pointed out that the critics had offered no alternative plans for sustained yield, but the latter rejoined that they had not been invited to participate in the planning stage. Now they advocated a variety of general schemes: federal subsidy for forest products, practice of sustained yield on privately owned forests so that "our democratic ideals" would be preserved, or a referendum by voters in areas that would be included in the units and agreements. Erickson painted a grim picture of what he called an arbitrary government's current (Forest Service) efforts to establish another such unit in Montana. The critics' remarks clearly reflected resentment of the cooperative agreement proposed for the Fischer Lumber Company — an enterprise that, the critics alleged, had bought up all available land in the area during and after the war. Indeed, their most shocking assertion was that the government had supported the cause of big operators in several areas by keeping sales away from other would-be purchasers to benefit these potential cooperators. Fischer's representative at the hearing defended the company, and a former O & C official praised it for taking risks when no other loggers would do so.[2]

SALES POLICY QUESTIONED AND REVISED

Davidson was angered by the events at Eugene. He was especially disturbed by Titus' charge that O & C officials withheld sales in some districts in order to favor operators who would enter cooperative agreements. The gravity of the situation was underscored by WALL's bringing suit against the Interior Department officials; Davidson and Horning were served with subpoenas just as the meeting began. Charging that Interior's officials had conspired to create and secure the unit, the suit asked the federal district court to enjoin its establishment. It "may be the forerunner of suits," Stuart Moir thought, "to test the validity of the O & C Act of 1937 and PL 273." Davidson considered ordering an investigation of the charges but was later dissuaded by Marion Clawson and Horning.

The WALL suit turned out to be a device to keep the controversy hot and to delay indefinitely the consummation of a sustained-yield management program. The plaintiffs offered to refrain from further activities if the government withheld the Fischer agreement. But Interior's legal staff found the suit full of flaws: it had been pressed improperly, it was brought against the United States without federal permission, and it denied the propriety of secretarial discretion clearly granted by the Act of 1937.

The team of Reid, Titus, Earl Mason, and Erickson also called protest meetings in the lumbering centers of Brownsville, Albany, Drain, Eugene, and Roseburg. At each they distributed broadsides entitled "Let's Fight Back" and "Here's What You Can Do." For those who had not attended the hearings, they painted a picture with words: it had been presided over by "one of the smartest lawyers in the country," who was "surrounded by foresters and lawyers . . . Lord, they were all over the place . . . and out in front were a whole army of government cars." At WALL's invitation, Horning attended some of these meetings and sent District Forester Otto Kruger to others. They were both subjected to heckling. Asked "What are you going to do for Brownsville?" Kruger answered frankly that the government was "not going to do very much" except adhere to the principles of sustained yield and prevent devastation of forests and of communities dependent on them. After one particularly vehement session, Reginald Titus went up to the federal officials and apologized for the behavior of his associates.

Other Oregonians came to the defense of the Mohawk proposal. The AOCC's executive officers believed that income from receipts under the plan would be substantial. Eugene lumberman H. J. Cox, now a member of the Advisory Board, wrote an article in the trade journal *Random Lengths* in which he pointed out that Lane County's sawmill population had increased by 160 percent since 1937 and by 90 percent since the end of the war. Of the 238 existing in 1947, he estimated that 174 would last less than four more years. The owners of these, he claimed, were the ones who opposed the unit.

Perhaps the most surprising support for the Interior Department came from the Forest Service. Worried that criticism of the Mohawk Unit might endanger its own future cooperative proposals, Hoss Andrews had attended the Eugene hearings and reported back to Lyle Watts. Another forester joined with an official of the Bonneville Power Administration who was a close friend of Jebby Davidson to talk with Interior officials over dinner. The foresters' purpose was "to stiffen their spines and try to get them to avoid . . . complete yielding to the pressures" of the critics. Dan Goldy admitted that Interior had used the Shelton contract as a model in writing the Mohawk agreement and "had exerted every effort to make their contract more rigid." The Forest Service men advised them to start over, to admit that monopoly was inevitable in the nature of things and that the gains therefrom would be more than the losses. Fischer probably would not like any changes made, they predicted, but smaller operators would eventually have to give in.

The contention engendered by the Mohawk proposal undoubtedly ran against the grain of Davidson's quiet and congenial manner. He greatly doubted that the issues of controverted lands and cooperative agreements had helped the O & C cause. Instead, they threatened to provide ammunition for further congressional attacks on BLM's appropriations. Republican Senator Arthur Watkins of Utah leaped to the conclusion that the O & C administrators were deeply involved in corrupt practices as WALL claimed. After his colleague Guy Cordon assured him they were not, he agreed to withhold a Senate investigation if Interior would restrain its own officials. Some department officials fretted that the long delay had shaken the confidence of conservationists and allowed the Forest Service "to take away the leadership that should have been ours." For six months after the Eugene hearing, letters and Oregon newspaper editorials poured into the department, equally divided between support for and criticism of the proposal and of O & C practices in general.

Recognizing that the department had run into a hornet's nest, Davidson asked Dan Goldy to head a special committee to overhaul the Mohawk agreement. He instructed its members to consider nineteen questions, many of them raised by the critics. These ranged from estimating the wider economic impact of terms used in the agreement to reconsidering the wisdom of establishing the units at all. For example, why not use right-of-way permits as leverage to insure that cooperators practiced sustained-yield logging? Should cooperators be required to allow recreational use of their lands? How could the public interest best be protected in cases of default or malpractice by the operators?

On June 2, 1948, Davidson returned to the scene of tumult in Eugene to present a full policy statement on O & C management. It was the first time in the history of the revested lands that the department (as distinct from its land bureau) had done so. He began with the substance of the questions considered by BLM: should they proceed with cooperative agreements generally? should they approve the Fischer agreement specifically? and should the Mohawk Unit be established as planned?

He replied to these questions in a single sentence: "We will go ahead with cooperative agreements as a general policy but with some modification in the kinds of agreements and some safeguards to meet the legitimate complaints of those who charge the public interest is being violated." Goldy's task force altered the agreement form so that O & C contracts would now require cooperators to permit recreational access and practice some reforestation and would specify what kinds of timber utilization were allowed. Small operators in the cooperative units could bid on portions of the "set-asides" reserved for that purpose. Others seeking access to O & C forests could be charged only a reasonable fee by private owners of access roads. The BLM's field staff would maintain close surveillance of the operations of all parties, and its Portland office would reassess both requirements and needs every twenty to twenty-five years. The rights of cooperators who defaulted or violated the agreement terms would be revested in the government. Just as Forest Service observers had predicted, the Fischer Company objected to these revisions in the agreement originally offered to it. The BLM's regional counsel, James Doyle, nevertheless recommended expediting confirmation of the contract.

The June 2 statement added that "intensive planning and active management" called for the services of a full-time director with a staff including experts in public-interest fields. They would maintain liaison with small operators, recreational groups, and other interested parties. The O & C Advisory Board would also be "reconstituted" to insure a broad range of independent viewpoints. It would now include spokesmen for labor and farm organizations, community interests not directly involved in the lumber industry but affected by it, and those not subject to commercial pressures.

The new policy announcement was hailed by headlines in Oregon newspapers, but the struggle was not over. A few months later, Watkins' Interior Committee held its own hearings in Eugene and several other Oregon communities. (Davidson thought these hearings were inspired by the fact that Cordon was running for reelection that year.) Companies that had enjoyed a more favored position during the previous decade testified that they were not happy with the new policy. It was, they noted privately, a political decision expressing Davidson's alleged anti-big-business prejudice, and a means of displacing the old O & C regime whose members were alledgedly pro-big-business. Indeed, Horning himself told an industry association meeting that he was "just a little embarrassed" by Davidson's policy and did not wish to be associated with it.

Support for the Davidson changes came from representatives of labor and farm organizations and, most important, from the O & C Advisory Board. But spokesmen for smaller operators were dubious about their prospects under the new policy. WFIA's Titus sent conditional congratulations to the assistant secretary. "The fenders have been straightened" on the O & C "jalopy . . . the body painted and the upholstery renewed," he wrote, "but underneath it is the same old chassis of long-term agreement for a very small percentage of operators." Responding to similar communications, Davidson admitted that "the job of getting a new program of this character into operation is very slow and very complicated." The law providing for a sustained-yield policy was not "the only possible law, or even perhaps the best law," he thought, but the units and cooperative agreements were "the only practical method presently provided for by law" to answer the urgent need for sustained-yield practices and to preserve the economy of the dependent communities and the region itself.

Davidson candidly agreed with his supporters that the agency in charge of applying the new ideas was "staffed by individuals whose habits of thought are firmly imbedded in the old program." The old ways had widespread support among those who had participated in making the former policy, men who now criticized the team at Interior for believing "in new and different philosophies of resource management than those which have been decided by Congress." But changes were needed because "the O & C lands are in effect the greatest test of the present national policies for timber resource conservation. If the O & C program goes down," Davidson concluded, "I believe that the Forest Service program will similarly go down." Until a better law could be obtained to uphold those policies, everything would depend on the effectiveness of the new administrators.[3]

ADMINISTRATIVE RENOVATIONS

The Watkins Committee investigation was not used to discredit the BLM's policies, past or proposed. Senator Cordon apparently decided that he had a greater stake in resolving the controversy and recognized that Davidson was determined to restore a balance of competition among lumbermen seeking access to the O & C forests. Moreover, Republican criticism of the BLM subsided after the Democrats resumed control of Congress in the elections of November 1948. As part of the Truman administration's "Fair Deal," the Interior Department's policymakers overhauled personnel assignments in several bureaus, including the BLM. Secretary Krug was still dissatisfied with the young agency's performance. He vigorously supported efforts by Davidson and Clawson to bring "new blood" into executive positions and reassess the assignments of incumbents. They began by naming Dan Goldy as regional administrator in Portland; he was introduced by Davidson at the first meeting of the newly reconstituted O & C Advisory Board in September. Like Horning before him, Goldy had served as Interior's eyes and ears at the meetings that led to the June 2 statement of policy. The Mohawk affair had convinced Davidson that he had to have his best people in the field to take care of the public interest as they saw it. "I hated to lose Dan," he recalled, "but he was probably the only one in the department who knew what our objectives were." Like Horning also, Goldy thereafter "carried the ball" on O & C matters and enjoyed direct access to the secretarial level.

Goldy was an economist by profession. He came into the BLM's work "pretty cold" and "didn't know anything about forestry" at the outset. But he perceived that the heart of the O & C policy was the paramount concern of every American economist: competition versus monopoly in a democracy. Goldy believed that free and open competition was "the best engine of progress." All of the detailed problems of the controversy could best be resolved by improving logging contract provisions in order to further open up competition. Whatever observers thought, he had come to no conclusions in the "big-versus-small" debate and had assumed no prejudices toward Horning's staff. Indeed, he depended upon the technical knowledge and administrative experience of Travis Tyrrell, who had become regional forestry chief in the Portland office.

Goldy also relied upon regional counsel Leonard Netzorg. Drawing upon a Brandeisian philosophy that viewed equity as the principal ingredient in the relationship between government and the private sector, Netzorg provided Goldy with meticulous analyses that brushed aside what he thought was a deviousness and preoccupation with protocols that had hampered previous approaches to O & C management problems. Netzorg may well have supplied Goldy with a quotation from Brandeis that the regional administrator used early in his tenure: "If we would govern by the light of reason, we must let our minds be bold."

Goldy boldly set out to solve the impasse over the controverted lands. Horning had insisted that Forest Service sales in the Umpqua area conform to O & C marketing-area requirements and, when that was not agreed to, he simply stopped responding to Forest Service communications on the matter. He was, once again, anticipating that Congress would soon act on the Cordon–Ellsworth bill to settle the whole issue. In an effort to replace old anatagonism with new progress, therefore, Goldy obtained permission from the Advisory Board to include Forest Service representation in its deliberations whenever practices on the controverted lands were involved. In private conferences with that agency's officials, he tried to allay old tensions by abandoning the previous practice of agreeing only when the BLM got something in return. Unlike Horning, he would not boast to the Budget Bureau about BLM's lower administrative costs, make invidious comparisons of the marketing-area procedures of the two agencies, or denigrate even indirectly the policies of his predecessors.

The new harmony proved to be a one-way street. Goldy was ready to modify the marketing areas that included the controverted lands in order to bring procedures closer to Forest Service "working circle" practices, but the latter agency seemed interested only in making "necessary" sales, even if the BLM did not approve of them. When Goldy suggested that the two agencies divide the cut equally, Forest Service officials explained that they were not authorized to do so. Relying upon their supporters in Congress to settle the lands issue, they planned to submit interim changes in the Wolfsohn–Granger agreement. If Goldy would not go along, some of them were optimistic that they "could get Marion Clawson to see the light." Meanwhile, they hoped, local operators would pressure BLM into increasing its annual cut on the controverted lands.

Goldy's overall timber-sale policy was also bold. As he explained to Portland businessmen, the population of the state was expected to double by 1975. With 60 percent of its gross revenues coming from forest-products enterprises and labor, the prevailing overcutting of western Oregon's timber was tantamount to "a man living on his capital instead of his income." There had been "a little" sustained-yield forestry practiced by private owners, but it had fallen far short of requirements of future economic growth. As a result, the government was going to use "the only management tool" it currently possessed: encouragement of sustained-yield practices through cooperative agreements. These would be determined not by size or tenure, but by competitive bidding and control of access roads. Details would be formulated in consultation with all interests and advertised well in advance. The results of the new sales policy, Goldy predicted, would be known within a short time. Quoting Senator Watkins at the Eugene hearing, he added wryly that it was "nothing less than divine justice" that the person who dreamed up the new policy should be required to live with it in operation.

In Netzorg's phrase, the O & C administrators found affairs in a "turnstile" situation. The government had generously granted some operators access to its forest lands, but these companies in turn refused to grant rights of way over "their" roads to competitors. In effect, they controlled everybody's use of the public forests. The larger operators defended their position by claiming that theirs was "responsible and stable ownership" but, as Goldy pointed out, they expected that investment should give them access to millions of board feet of public timber. They denounced the new policy's principle of equal opportunity as a socialistic concept while seeking a totalitarian position for themselves. Members of the WCLA raised other questions that pointed up aspects of the new administrators' problem. The purpose of increasing government receipts must not be confused with protection of the public interest, that organization's president wrote to Goldy. If the larger operators who had invested in equipment to maintain the access roads would not overbid smaller companies that had no such investment, who would guarantee road maintenance? Would the government subsidize it? The speculator would win "no matter how carefully you frame your program."

In September 1948, BLM resolved two aspects of the immediate problem. First it increased the annual cut for the 1949 season. As before, nearly half would be selectively cut except when over-mature Douglas fir required clearcutting. The second matter, establishing equity in sales, was more complicated. The Act of 1916 had embodied an 1895 law defining general access to the public domain; the O & C Act of 1937 had authorized the interior secretary to specify sustained-yield forestry as a purpose for such access. In 1943, Ickes' lieutenants had ruled that the department could reject operations that would interfere with that purpose. The new regulations proposed by Goldy and Netzorg combined these legal sources by requiring reciprocal rights of way from all operators as a provision of O & C sales agreements. Terms of construction and maintenance and ecological safeguards to be applied before and after the time span of contracts were included therein. The United States would take only the rights it needed for the periods specified in the permits. It would not seek to cloud private title by assuming permanent rights, nor enter into an exchange of interests in real property while reserving a unilateral right to vary provisions in the future. But it would extend credits and technical assistance to boost the ability of smaller companies to comply with the new situations. Thus the government would establish equity between large and small operators.

When Goldy presented his program to his superiors, Secretary Krug told him approval would be given only if he received a unanimous vote from the O & C Advisory Board. With the aid of Tyrrell and Doyle, Goldy secured that support and the agreement of the new district advisory boards. The new requirements went into effect in November 1949. Goldy also announced that 403 million board feet would be offered for sale beginning January 1, 1950. The response was most heartening: 382 million board feet were spoken for even before that date. Within six months sales by competitive bidding rose from 16 percent to 42 percent, and bids over appraised price increased from 33 percent to 64 percent of total sales. (A year later, those statistics would be 76 percent and 69 percent respectively.) Oldtimers like Horning, now in Washington, D.C., as Nelson's successor in charge of the BLM's Forestry Division, were pleasantly surprised that so many applicants agreed to the new stipulations. Clawson called it "a real achievement." The most welcome response of all was a cartoon on the *Oregonian's* front page depicting the O & C forests as "pure Gold-y."

Although a few operators refused to participate and publicly denounced the policy as mismanagement, resolutions of support came from former critics among woodworker and grange organizations. This time gadfly Reginald Titus directed his stings toward the government's critics: "we believe that the present program of the Bureau is the best which has yet been developed by that agency. Naturally there is still room for improvement and we believe that all parties should work together in developing a policy which will be for the greatest good of the largest number without discrimination against any." Such responses raised many spirits at the Interior Department.

When Secretary Krug resigned in November 1949, he told his lieutenants with understandable satisfaction that there was "a definite improvement in public relations for the BLM." "No agency had such a low start," but in the preceding year "I have heard no criticism of it whatsoever. . . ." In retrospect, the cooperative-agreement proposal had been a false step, but the ensuing controversy had strengthened administration of O & C lands by forcing the BLM to broaden the bases for cooperation between public and private interests. Changes in personnel at regional and national levels had also bolstered administration of the O & C. The problems that bore upon it had, however, multiplied as well.[4]

6

THE BEST YEARS/ THE WORST YEARS

1949–1952

The O & C's controverted-lands and cooperative-agreement problems were symptoms of a larger problem in institutional flexibility. A dozen years after the inception of the O & C Administration, economic conditions in the lumber industry — and especially in western Oregon — had changed considerably. Immediately after the war, production and supply began to climb. Improvements in the technology of logging and diversification of wood utilization insured more profits. A boom in housing and commercial construction (stimulated by population shifts to the Pacific states) and federal credit policies provided a greater market for that production. These opportunities engendered a proliferation of new lumbering and milling companies whose ambitions challenged the favored position of older, larger enterprises. Because the private timberlands owned by the latter were nearing depletion, they too demanded more access to public forests. At the same time, urban populations increased pressures to preserve portions of those forests for a variety of recreational uses.

Overall federal forestry policy required modification in light of these conditions. Procedures for sustained yield would have to be adjusted, and the standards needed to protect the "public interest" would have to be redefined. O & C administrators had the additional task of making all such adjustments within the limits of their statutory responsibilities for dependent communities and county tax equities. Their paramount goal was no longer one of trying to sell enough timber to meet those obligations; now it was one of deciding on priorities in forest management.

The Right-of-Way Problem

Who would decide priorities among these purposes? The shifts of ordinary politics were one determining factor. Although Jebby

Davidson was mentioned as Julius Krug's successor, Interior policies were placed under the direction of former undersecretary Oscar Chapman in December 1949. Unlike his predecessor, Chapman was too poorly organized to "sell" Interior as a Department of Conservation and too concerned with political sensitivities to fight for innovations. As a result, BLM Director Marion Clawson found it necessary to assert his own views more strongly, and Davidson sustained him in that course. Region One administrator Dan Goldy was similarly inclined and similarly supported. In doing so they were, of course, continuing the precedent for personal decision-making set by Joel Wolfsohn and Walter Horning.

There were other men with definite hopes among the members of the O & C Administration. Counsel Leonard Netzorg expected that "the New Deal is about to descend on the abuses of the timber industry." The Advisory Board agreed that the new sales and road policies were "going to result in true competition for federal timber. . . . No longer will any company be able to carve out a sphere of influence on the basis of its control of access roads" and disrupt competitive bidders by barring their use of them. Administratviely speaking, however, the BLM's opportunities appeared limited in 1949. Still operating on a small budget, it needed additional funds to launch new timber-management programs. Congress was again reluctant to give it any increase. The requirements of the Korean War during the next two years further detracted from its operations. Innovations would therefore have to be accomplished by the administrators themselves.

Described by his associates as a "masterful negotiator," Goldy handled his own land exchanges, formulated annual allowable cuts, and made plans for additional sustained-yield units. The regional administrator in turn assigned forestry chief Travis Tyrrell to oversee the impact of sustained-yield techniques and sales on the lumber industry. In cooperation with a field committee created by Oregon's Governor Douglas McKay, a five-year plan for timber policies was drafted that included creation of not only more federal sustained-yield units but some for the state forests as well. Through reforestation and additional exchanges, Goldy estimated, sustained-yield capacity of western Oregon forests could be increased by 75 percent and timber sales could be raised from 400 million to 800 million board feet a year. Goldy embarked on that program in his characteristic hard-driving way. He ordered district foresters to announce sale programs a year in advance, specifying where the sale timber was located, and he replaced reliance on natural regeneration with an enlarged reforestation program. Some foresters from the Horning era found it difficult to alter old attitudes and privately criticized these decisions.[1]

Clawson insisted that there was "no shooting war on any front" of BLM's program but admitted (with understatement) that there were still "rumblings" about the road regulations. Those noises came from both sides. Goldy concluded that large operators were using sustained-yield operations as a golden opportunity to insure their supply for a doubtful future, thereby transforming government timber into their personal reserve. He also believed that arbitration to facilitate reciprocal right-of-way agreements was being undermined by private arrangements among would-be bidders. There were more agreements being made, but the number of single bids (for three out of four O & C parcels sold) belied his intention of enhancing competition.

On the other hand, some large companies decried right-of-way reciprocity as "a socialistic concept" and judged the regulations to be "a major disaster." E. P. Stamm of Crown-Zellerbach claimed that the new rules took away fundamental rights of property and decision-making. Although Oregon's Senator Wayne Morse introduced a bill to enable the government to buy access roads, the BLM's intentions prevailed in a manner its critics described as "autocratic and arrogant." In spite of the Advisory Board's request for a review to reconcile differences, Secretary Chapman acceded to Davidson's insistence and approved the road regulations. "The Interior Department is fast losing its friends out here among the forest industries," Stuart Moir warned. "Perhaps we had better work for the creation of a new Department of Conservation."

Goldy generally won support for his policies from the Advisory Board. Through his recommendations, its membership now reflected the purpose of Davidson's June 2, 1948, statement. With reorganization, Mason had been succeeded as chairman by former governor Charles Sprague, sponsor of wartime state forestry laws and author of the Keep Oregon Green publicity campaign. Sprague's widely reprinted Salem newspaper column also served as an important means of securing public understanding and support for the O & C administration. He was a consummate politician in his ability to bring people together. His objectivity and fairness earned the respect of colleagues who reelected him chairman every year until his death in 1969. Other members of the board appointed through Goldy's efforts included men with distinctly subjective views. One was Floyd Hart, president of a large Medford timber-products company, who replaced George Gerlinger. Another was A. F. Hartung, president of the region's lumber workers' union. But in keeping with Goldy's belief that men in the industry did not have sufficient objectivity to make decisions for the rest of the public's interest, the new board also included men and women from diverse community occupations who had no technical expertise. In the opinion of some oldtimers, the advent of those whom they lumped under the derogatory term "housewives" marked the end of the board's effectiveness.

The O & C administrators' greatest source of confidence was the statistical record of sales under the new regulation. In 1950, appraisals rose to meet increasing market prices of timber, but the number of applications and bids over appraised price also rose. Those for O & C timber were over 30 percent higher than bids for national forest timber. By the end of the sales season, 467 million board feet had been sold, an astonishing 172 million board feet more than had been sold the year before. In 1952, sales on O & C lands amounted to over eight million dollars; those on CB lands raised the total gross income to eight and one-half million dollars. The O & C forests were bringing in a proportionately larger income than the national forests in western Oregon, and, while Forest Service administrative costs exceeded Forest Service sales income, only 11.4 percent of O & C receipts were needed for administrative purposes. Receipts accumulating in the Treasury's O & C Fund were sufficient not only to discharge the debts owed to the land-grant counties but also to put into operation the provisions of the 75-percent formula of distribution to the counties. That boost, combined with a rise in timber prices to twenty-two dollars per thousand board feet for all 1951 O & C sales, earned for the recipients the grudgingly admiring title "The 18 Counties Who Struck It Rich."

In 1951, these fortunate counties were paid over three million dollars; the next year the new factors gave them over six million dollars. In the preceding five years, Lane County's share rose from more than $335,000 to over $900,000; some $275,000 in O & C payments were included in the two-million-dollar county budget in 1952. Nearby Douglas County admitted that it was in the best financial condition it had known in a hundred years. "So we're loaded," cracked a local newspaper editorial. Out of the more than one million dollars in the "O & C Excess Fund," Douglas County commissioners intended to use about $265,000 to reduce taxes and construct public buildings and roads. The county also "carefully and realistically" appraised its situation and prospects in a survey conducted by representatives of federal, local, and private offices. It reported that the Inland Umpqua River Basin contained an estimated forty-four billion board feet of Douglas fir, one-sixth of the total of that species growing in the Pacific Northwest; 20 percent of it was on lands managed by BLM. Since World War II, the region's forest productivity had created the fastest-growing segment of the lumber industry in the nation, with 626 logging operations and 241 sawmills.

This welcome growth gave BLM officials leverage in fiscal planning. Instead of simply adjusting the allowable cut upward to meet the expectations of the counties, Goldy presented them with a proposal to reduce their direct income. He warned the AOCC that Congress tended to turn to the O & C appropriation whenever it was looking for places to cut the agency's budget. Increasingly frequent talk of revising Title II of the 1937 act meant that the land-grant counties could no longer think of themselves merely as beneficiaries. Like any other business, the public forestry programs involved shareholders and, as in private enterprise, income should be taken from net profit, not gross profits. Both federal and county interest could be sustained, Goldy argued, if the formula were changed to a fifty-fifty distribution. Constantly increasing revenues, he pointed out, were due to the rise in stumpage prices. Further income increases could be obtained by raising the allowable cut by one-third. That would return more than the average income of the preceding five years. In order to take into account fluctuations in the market and cuts in BLM budgets, a five-year average would thereafter be used as the base for calculating the sums to be distributed. The new arrangement, he concluded, would be "less generous but more realistic."

The prospect of losing the 75-percent formula just as it was being put into effect for the first time was understandably shocking to the counties. (After Goldy finished speaking, a Coos County judge snapped: "I didn't hear half of what you said and I didn't like the other half.") The commissioners from Clackamas County denounced BLM's proposal, but one from Lane County offered an explanation for his colleagues' anger: population growth had so greatly increased the costs of both schools and roads that the tax burden could be carried only by payment of the full 75-percent portion of the receipts. AOCC's spokesman Frank Sever, Cordon's former law partner, informed the agency that the organization would support its proposal if it also guaranteed that the counties would receive at least as much income as they were already getting.

The time was not propitious for compromises, however. Already shaken by the Korean War emergency, the Truman administration saw many of its resource proposals doomed when a Republican majority took control of Congress in January 1951. Western members who had participated in the "Great Land Grab" of 1947 returned to their campaign against BLM. There was a real possibility that the counties' share would be reduced to a third of the receipts by the new Congress. The question was raised in the debates over the Cordon–Ellsworth omnibus bill to resolve both the receipts and the controverted-lands problems. The senator advised the AOCC that it must accept some reduction or lose even more. When the *Oregon Journal* made allegations of a "One Billion Dollar Land Deal," Ellsworth pointed out that the actual estimated value of the domain was only 650 million dollars, and that county claims to a portion of the income in lieu of taxes were an established principle recognized by past Congresses. The legislators wanted to be fair and responsible, but, he warned, they "are very definitely not going to stand for extra favorable treatment of one state at the expense of the others. I assure you there is no possibility of hiding this O & C situation from the Congress." Oregon "would lose infinitely more than it would gain if we seemed in the eyes of other members . . . to be greedy and unreasonable." In the case of the controverted lands, Ellsworth added, the Forest Service would have to change its "stubborn attitude" or there would be no distribution of receipts unless Interior was compelled to do so by statute or court decision. At the hearings on the bills, Marion Clawson briefed Democratic Congressman Henry Jackson of Washington State on the desirability of 50-percent payments to the counties. Although personally reluctant to interfere in another state's business, Jackson seemed to be leaning toward a revision of Title II; yet he showed remarkable restraint at a time when the existing formula could not have been saved.

Congress also contributed to the BLM's anxieties by taking up the majority report of the Hoover Commission on governmental reoganization. One of its recommendations called for combining all federal forest functions in a single department. Some Forest Service officials assumed that reorganization would mean that O &

C lands would be added to their jurisdictions. If so, one noted, "we would want to raise the standards of administration, which would probably mean an increase in administrative expense." When Republican Senator Harry Cain of Washington State introduced a bill for such a transfer, Secretary Chapman's lieutenants considered the possible counter-strategy of having a "Public Lands Administration" established by presidential order. If that were done, they expected that the Forest Service's "present semi-military character" would have to altered. Clawson emphasized two points that he hoped would impress Congress: O & C timber sales were proportionately greater than those of the Forest Service, and its administrative costs were far smaller. Writing to his superiors, he observed that if any reorganization were effected, the Forest Service would have to conform to the terms of the 1937 act or else ask Congress to change it. Congress took no action on any of these measures in 1951 or 1952.[2]

In this hostile political climate, the BLM resumed consideration of the proposed sustained-yield cooperative agreement with the Fischer Lumber Company, even though it had generally suspended plans for concluding any further agreements. Clawson thought the concept was a good one but was too difficult to bring into operation. He may have shared the thinking of his fellow economist Goldy, who wrote:

> The government cannot regulate the additional investment required to achieve the higher forms of utilization and forest conservation. . . . It assumes that if you give an operator an assured timber supply you will not only get the investment he originally agreed to . . . but you can require him to make additional investments over the years to keep pace with the best practices of the industry. . . . Any court would give the company relief from such an agreement on the grounds that if the management said they would lose money going into the . . . program . . . the government should not be able to compel them to go ahead. Moreover, no forester in the field would ever get support for such compulsion . . . from the politically appointed heads of the Department.

Qualified operators showed no sign of interest in any more such agreements, Clawson reported, and the Korean emergency necessitated reduced spending for long-term planning.

The Fischer Lumber Company had not obtained sufficient forest lands to qualify under BLM requirements when it pressed for confirmation of the agreement in 1951. Its spokesmen urged Secretary Chapman to argue for recognition, but Clawson opposed any departmental commitment to keep the negotiations going. At the secretary's request, Davidson's successor, Dale Doty, tried to resolve the differences with Fischer's representatives — perhaps in the hope that resolution of the case would elicit broader support in Oregon for the Democrats. News of the Doty–Fischer meeting had just the opposite effect, and Chapman personally had to assure apprehensive friends in the state that equal opportunity was still the basis for O & C's policy. Soon afterward, Doty sent John Shanklin from Chapman's office and Newton Edwards, a community-relations specialist, to Oregon to survey the problem. The two talked with operators who shared William Greeley's opinion that the department was demanding "onerous and unreasonable conditions" of Fischer. One of the operators was E. G. Wengert, who was also a member of the Eugene District Advisory Board. He explained that BLM seemed to be still thinking in terms of "gyppo" lumbermen and "monopolies," even though many operators had adopted sound logging practices and had extensive investments in roads and facilities. That preoccupation with labels, he said, had reduced the standards set forth in contracts to "so many words," while in practice there was "no evidence of any action to dispel the belief that virtually anyone can purchase O & C timber if he can make the down-payment." Instead of sustained yield, the result was a too-rapid liquidation of both private and public timber.

Shanklin and Edwards reported that since Davidson's "possibly overly cautious" statement in June 1948, the BLM had made progress in other kinds of cooperative agreements. In road-system planning, land exchanges, fire protection, and cutting rules, cooperators had exceeded government requirements. Although these entrepreneurs had spent money and effort to qualify for formal sustained-yield agreements, neither the advisory board nor the BLM had initiated further negotiations. The two agents recommended several ways to reactivate the program. Sealed bids should be used before oral bids were taken in order to encourage reputable applicants; additional personnel should be assigned to supervise logging operations in order to insure conformity to the government's requirements; and the BLM should not be generous in granting extra time to fulfill contract obligations. Instead of using the advisory board as an access to the public, actions could be expedited if the board were confined to the role of merely expressing public views on the programs. Finally, the right-of-way policy should not be used to "equalize the profit making opportunities" of those who built the roads and those who used them.

The actual purpose of that policy warranted clarification in a public statement by the department.

The men of the Fischer Lumber Company were encouraged by their talks with Shanklin and Edwards. They assumed that some Interior officials were embarrassed by what company representatives called the arbitrary nature of Goldy's policy. Having obtained no satisfaction from the regional office, Fischer's counsel sent carrot-and-stick communications directly to the department chiefs. A restoration of "good neighbor" relations, one letter suggested, would be mutually advantageous because a decrease in logging costs would mean an increase in government receipts. The company acknowledged that it was ready to adopt a sustained-yield policy, not through procedures but in results. It asked for a return to the 100-year term originally planned and for access to damaged timber as part of the total allowable cut. If there were further delays in making the agreement, its officials warned, "we have no alternative but to abandon our policy and our program."

Rumors of impending agreement provoked anger in Oregon. The state senate passed a Democratic member's resolution asking Congress to transfer the O & C lands to the state. Even the *New York Times* reprinted the allegation that the BLM was abandoning the Davidson–Goldy principle of equal opportunity. When small operators called on Senator Morse for help, he decided that the matter warranted a committee investigation. Secretary Chapman assured him that the agreement would do no more than formalize what had already been arranged on an informal level, and that nothing had yet been given to Fischer but a temporary one-year road-use permit. A letter from a Portland friend nevertheless may have touched the secretary's very sensitive political nerve. Approval of the agreement, it warned, would "blow the Democratic Party right out of Oregon." Another Democrat, state senator Richard Neuberger, reported the feeling of his associates that Doty was "out to get" Goldy and also cited Doty's alleged comment that Goldy was "practicing sociology instead of forestry." According to another source, Cordon had promised that Goldy was "on his way out."

The regional administrator did not at first object to actions taken by his new superior, but after seeing a copy of the Shanklin–Edwards report, Goldy advised Clawson that it showed a general lack of understanding and was based upon the views of a few large operators who had long opposed right-of-way regulations. He was particularly angered by their assertion that he had not consulted with all interests; he had actually held more conferences on major policies and problems in two and a half years than Walter Horning had held in the preceding twelve years. Once again he expressed Leonard Netzorg's belief that the government should not grant exclusive options but should apply rules uniformly and not interfere with operators, except when their practices were harmful to the public interest or violated logging contracts. Clawson thereafter recommended that no long-term right of way be given to Fischer. Moreover, the ten-year limit and the "set-asides" for competitive bidders should be retained. Finally, all agreements should be discussed at public hearings before final action.

Further deliberations on the Fischer proposal were marred by the exit of Dan Goldy. Perhaps he and Doty were always rivals and never friends. Determined to bring the matter to a workable conclusion and thereby quiet both discontent and controversy, the assistant secretary undoubtedly regarded the regional administrator's opposition as insubordination. Goldy, unable to convince his superiors of the propriety of his policy, had already concluded that his own effectiveness was at an end. When told of Doty's wish to replace him, he resigned after reminding his superiors that O & C lands contributed more than anything else to the department's forestry program and BLM's place therein. In April 1951, Doty appointed Deputy BLM Director Roscoe Bell as regional administrator on Clawson's recommendation. The mild-mannered Bell, whose special interest was land management, seemed to need advice on forestry matters. James Doyle and Leonard Netzorg cautioned him that the regional administrator "must be forever vigilant against those who would defeat and terminate" equal opportunity in the road program. In order to "get the administration of the O & C back out of the secretary's office and into BLM," Bell considered offering Goldy the post of special assistant but instead assured him that his policies would not be abandoned.

For the moment, the shakeup over the Fischer agreement seemed to be a breakthrough for both sides. The cause of the established operators was strengthened by Wengert's and Nils Hult's presence on the Advisory Board. With technical advice from David Mason's forestry consulting firm and support from other large operators such as Weyerhaeuser and Crown-Zellerbach, Fisher's representative, A. G. Hall, returned to Clawson to seek relief from government requirements for road-system charges. "If we can't get satisfaction from Clawson," Hall suggested to Dale Fischer, "we will certainly want to consider going to Assistant Secretary Doty, who you will recall gave us informal assurance of real relief last March." At a May meeting with Clawson, Bell, Horning, and other Interior officials, the company conceded that it would not seek exclusive rights to the Mohawk Unit. Although it still demanded a fee from all other users of its roads, it did agree to such use and to a ten-year term for the agreement. The federal officials responded by extending a short-term road permit for access that year. Clawson was "most agreeably surprised" by the outcome of the talks. In announcing that a tentative agreement had been reached, he noted that final determinations would be made by regional headquarters and, if necessary, by a public hearing.

Not surprisingly, WFIA's Reginald Titus objected. BLM, he maintained, had "stretched if not broken" the polices of equal access and competitive bidding. Clawson should have dispelled the "fog of rumors" by giving the Advisory Board copies of all decisions involved in the case. "We fear," he told the director, "that you are trying to set up a cooperative agreement like that hit down in 1948." Titus did not believe that the Interior secretary "or anyone else" should have "the responsibility of discretion concerning contents of agreements with private citizens involving public property valued at a billion dollars or more." In fact, neither Clawson nor Bell was optimistic about further negotiations. Fischer demanded permanent easements from the government before granting leases to access-road users and insisted on tying sales to roads; the BLM treated sales as separate topics warranting separate agreements.

While the Fischer Lumber Company agreed to negotiate further, it prepared an alternative strategy. According to its president, the government's attitude was one of "heads I win, and tails you lose." Amortization of costs could only be made out of profits and BLM could not, of course, guarantee profits over the long run. Not only was the agency willing to "give away via the great theory of equalization," but it was also subject to the vagaries of Congress and the Budget Bureau and the pressures of the land-grant counties. In an effort to find some grounds for certainty in such a context, the company would submit a list of questions to "settle the problem of who owns the roads" — or else "point the way things are moving toward socialism." Fischer himself admitted that he was angry enough "to make hotel reservations in Washington, D.C. right now" but instead sent Hall to see Doty once again. In the meantime, he prepared a second option: he would call on other large operators to unite to fight "the Bureau's continued policy of 'Divide and Conquer' " by bringing a lawsuit that would challenge the legality of its forest-management regulations. Informed by Hall that the possibility of such a case "appears to be of considerable concern to the Department," Fischer directed his logging supervisor to find an instance of trespass that could be used as an appropriate basis for adjudicature.

In a note marked "Destroy this Letter," Hall assured his employer that Doty sincerely wished to bring the case to a close but "to do so would be political suicide not only for him but for his Department . . . and we'd probably end up with a left-winger in his chair . . . [and] be much worse off than we are now." The talks continued into December, but soon afterward Bell ruled that the company's application for a cooperative agreement was defective because it did not provide sufficient information about road construction and location. Moreover, the lands offered by the company in exchange for O & C lands were not of equivalent value because there was no government access to them. In March 1952, Clawson used a brief written by solicitor Jacob Wasserman as the basis for upholding Bell's ruling. Responding to Fischer's request for an extension of the one-year right of way previously issued to the company, Wasserman decided that the regional administrator had no authority to issue any such permits. The government had to obtain all rights of way or else deny access not only in the Fischer negotiations but in all other pending cases. At Bell's suggestion, Clawson gave the company two months to appeal the decision. Unsuccessful in obtaining a reversal, Fischer fell back on his second option: trespass as the basis for a suit.[3]

NATURE AND POLITICS CONSPIRE

During these same months, a sequence of blows from the forces of nature fell on BLM's offices in Oregon and Washington, D.C. In the summer of 1951, several fires broke out in southern Oregon. The worst of these was in the Vincent Creek area of Douglas County, evidently started by negligence on the part of a logging company working under an O & C contract. In December a windstorm struck all of southwest Oregon, knocking down milelong swaths of trees and creating impenetrable shambles throughout the intermingled forest lands. In July 1952, another fire spread along Williams Creek in Coos County. Following each of these disasters, a plague of Douglas fir beetles descended on millions of board feet of downed timber. On the O & C sections alone, the storms felled 390 million board feet, 324 million were killed by fire, and 190 million were infested by insects.

Financial outlays to cope with these problems were made by a combination of federal, state, and private forest owners. The cost prompted the economic and political interests of the region to question the effectiveness of every aspect of forest management. The enormous problem of salvaging the damaged timber cast further doubt on the wisdom and flexibility of federal policies. Formulation of emergency measures to deal with the disaster required appointment of many additional men and focused especially on the access-road program. In spite of the increase in sales receipts, Congress had to make special appropriations for construction in 1951 and 1952.

In consideration of needed changes in policy, Doyle felt that short-term permits should be used for salvage of windthrown and insect-infested timber. Netzorg thought that if these were issued, they would imply that long-term permits were impractical. "We should not appease the chronic critics," he argued, nor fear their threat of suit. In September 1951, the BLM decided not to issue any more temporary short-term rights of way. The continuation of natural disasters in the western Oregon forests made that decision appear totally unrealistic. After O & C administrators consulted with the Advisory Board and with operators in the Umpqua River region in May, 1952 new regulations were put into effect whereby bidding, rights of way, and logging requirements were temporarily altered to facilitate recovering of fifteen and a half million dollars' worth of downed timber over a three-year period. Salvagers were permitted to include green trees in their cuts, but these could constitute no more than 100,000 board feet or 35 percent of the total volume taken out. The same terms were subsequently applied to all salvage operations. Clawson emphasized that they did not change general policy nor affect negotiations on long-term agreements.

POLICY UNDER REVIEW

The controversy over road policy also disrupted the working relationship established by the team of Goldy and Netzorg at the Portland office. "With Dan gone," Travis Tyrrell reported to his superiors, "Leonard regards himself as the sole custodian of the regulations and the program." Indeed, the regional counsel felt that the decision in the Fischer case was at the heart of his full-time efforts to design the right-of-way policy. "We face difficult times ahead," he warned Bell. "Failure to work together could very well be the deciding factor between winning the right of way battle or losing the O & C lands." Unfortunately, Netzorg found it impossible to continue to work with Doyle's administrative counsel, Harry Hogan. They parted ways after Hogan drafted Bell's instructions to Netzorg for alteration of Goldy's road-ownership evaluation procedures. Hogan also regarded the Wasserman decision as "sheer fantasy" and asserted that the procedures used in the Goldy policy established "de facto monopoly." Those words were undoubtedly a slap in the face to a Brandeisian such as Netzorg. He urged that Bell and Hogan be removed from their jobs but was himself later transferred back to Washington, D.C., leaving a tremendous backlog of work still to be done on the road policy.[4]

The Interior Department was certainly vulnerable to the claim that it was unable to discharge its diverse responsibilities in a manner satisfactory to all concerned. In the words of William Greeley, it was "failing critically in its stewardship of this great forest resource." The "great constructive plan" that he had helped to establish in 1936 and 1937 had been "nipped like a peach orchard in bloom that is struck by heavy April frosts." The delay or refusal to apply the sustained-yield legislation was less the cause, he told Oscar Chapman, than was "the absorption of your representatives in forcing upon private forest owners an almost complete BLM control of road systems, present as well as prospective." A large number of landowners in western Oregon, he explained, thought that the agency's policy undermined the security of present investments and of any future investments in both forests and mills. The sorry result was that those owners "are afraid of their government." If road policy effectively nationalized transport facilities, would not this "gradual freeze out" technique strike at mills and processing plants next? The BLM's decision to issue no more short-term road permits was the most dismaying example of its ill-conceived policy, because it would leave most of the 700 million board feet of damaged timber — that is, public property — rotting on the ground. Shortly afterward Greeley and Cordon met with Chapman to urge him to revoke the Wasserman decision.

Convinced that the situation in the Pacific Northwest was now the BLM's most important concern, Clawson decided that a new framework for forest-management programs had to be formulated. The provisions of Davidson's 1948 statement had been oriented to the problems that emerged at the Eugene hearings; just four years later they were no longer wholly appropriate. After obtaining the views of administrators at the regional and district levels as well as those of his division chiefs at the Interior Department, in July 1952 Clawson issued a statement of problems, needs, and purposes.

The agency would, of course, adhere to its statutory responsibilities for dependent communities. The rise in prices from two dollars per thousand board feet before the war to over twenty-five dollars that year had, however, created intense competition. The public simply had to understand that the operations of the market and competition between purchasers, not Interior's administrative actions, allotted available timber to individual processors.

The BLM wanted no more cooperative agreements such as the Fischer proposal, Clawson noted; but because only half of potential sustained-yield capacity had been reached, new units would be established on the basis of a five-year cutting period, or a shorter time to meet temporary situations such as salvage. Marketing areas would be made more flexible by overlapping their boundaries and by redefining the stages of timber processing to be permitted in each area. Timber sales would be made on both an annual and a long-term basis. The central and district advisory boards would be consulted as before but would not in any sense be administrative in character. Finally, programs for reforestation, recreation, and other uses would be maintained and developed. While this new prospectus for BLM's Region One was thorough in substance and procedure, it did not address the underlying reason for the mounting chorus of criticism: the problem of *de facto* favoritism and discrimination involved in management of the O & C forests.

The principal flaw in the O & C program, Clawson believed, was the receipts formula. Twenty-five percent in lieu of taxes (as the Forest Service paid) was a proper and adequate portion. But he thought revenue sharing of any kind was "a major obstacle to intensive forest management." For the moment, however, he cited lack of funds and personnel as the reasons for the shortcomings of the BLM's programs. Congress was, as always, the uncertain key to their success. Construction of the access-road system required greater appropriations or modification of Title II; the latter, Clawson thought, should be "the key to our legislative program." Instead, the bureau was given eight and a half million dollars for

1952, one-third of what the Park Service received, although the latter's receipts were negligible compared with the BLM's ten million dollars in timber sales. Moreover, Congress still could not agree on the Cordon–Ellsworth omnibus bill; in the course of six years, one house had approved while the other failed to do so, and then both reversed themselves like a seesaw. The special appropriation for roads after the 1951 storm proved to be a breakthrough for the BLM, however. Because it was obvious that Congress would not make that benefit a regular feature, Clawson convinced Cordon and Frank Sever that the vital access-road program must come out of the increasing county revenues.

Concluding that the omnibus measure was too complicated to be accepted as a whole, Cordon introduced just the receipts portion in January 1952. This time the Budget Bureau objected to the idea that any federal agency should have a "kitty" of its own rather than seeking annual appropriations. Congress was also leery of the BLM's proposal that tabulation of the receipts be made by Interior. The only note of encouragement was that both houses endorsed the road program (which Fischer privately referred to as the "Goldy aspects") in Cordon's measure. At the hearings on it, organizations of lumbermen both large and small complained about its restrictions and the Roseburg Chamber of Commerce demanded revision of the Wolfsohn–Granger agreement to prevent overcutting. Cordon finally hacked his way out of the impasse. To the surprise of his colleagues, he attached an amendment to Interior's appropriation for 1953 whereby 25 percent of receipts would be marked for access-road construction and reforestation. (In the subsequent decade, that amount was variously applied to road maintenance, forest development by reforestation, and recreation construction and maintenance.) This "plowback" provision was accepted and added to all subsequent annual appropriations.

The persistent issue of the controverted lands proved to be the penultimate blow to the public reputation of the O & C lands' administration during these four years. A. W. Lafferty, self-proclaimed guardian of the O & C for forty years, delivered that punch personally. In May 1952, he brought suit on behalf of Clackamas County against the secretary of the interior and the secretary of agriculture. His brief asked the federal district court in Portland to order immediate distribution to the county of the receipts held in escrow from sales on those sections. The move embarrassed some of the land-grant counties, which objected to disturbing the formula in any way. It also angered those Oregonians who remembered Lafferty's dubious efforts in the past. One of these, former governor Oswald West, vigorously defended the O & C policies in local newspapers.

The Clackamas County suit also threatened the chances for passage of the Cordon–Ellsworth bill, which Clawson hoped would "settle the controversy and set up good administration." Lafferty denounced that measure as evidence of an "*entente cordial*" between BLM and the giant Weyerhaeuser Timber Company and as a "give away" of the counties' properties. The seriousness of his case was reinforced when Lane County (which had considered bringing a suit earlier) joined the court action in September. The men at Interior were unimpressed with the case because they believed that Congress would ultimately have to dispose of the controverted-lands question no matter who won the suit. Clawson confidentially advised his superiors that Lafferty was widely regarded as "something of a crackpot. . . . It is not clear precisely what he wants but it appears that he is supporting transfer of the O & C lands to the State of Oregon." Lafferty also had "made it quite clear he was willing to shift his position entirely if we would give him a job but we refused." Interior's solicitor subsequently recommended that the attorney general seek dismissal of the suit on grounds of lack of venue. The court issued such a ruling in December 1952.

Five months before, Clawson had optimistically planned to implement the steps he had outlined to improve management policies for the O & C forests. The retirement of Christopher Granger and Lyle Watts from the Forest Service seemed to improve chances for a revision of the Wolfsohn–Granger agreement. Far greater changes in personnel were in the offing, however, when the wheel of politics took a very large turn over the toes of the BLM's administrators. Already the whipping boy of the "land grabbers," the agency was now accused by conservationists of favoring grazing, mining, and timber interests. (The BLM, they grumbled, really stood for "Bureau of Lumbering and Mining.") The political consequences of these attacks prompted Democratic Party strategists to survey the situation in Oregon early in 1952. They found that the controverted-lands question was "a hot issue" there. During the campaign Harris Ellsworth reminded mill-town voters of his efforts to gain greater access to the federal forests. Generally, the years of contention over the Goldy policies contributed to Republicans' charges of "creeping socialism" and "the mess in Washington." Echoing those charges, their presidential candidate, Dwight Eisenhower, obliquely referred to the controverted-lands confusion in a Portland speech that October. When the votes were counted a few weeks later, both the legislative and the executive branch of the federal government were put in the hands of Republicans pledged to modify twenty years of resource policies. It was the final blow to Clawson's best-laid plans.[5]

7

THE POLITICS OF ADJUSTMENT

1953–1960

Resolution of O & C management problems ultimately called for the American system's basic source of change: politics. In this case, however, the French axiom "the more change, the more the same thing" was an accurate description of the adjustments made in the BLM. President Eisenhower acknowledged the West's claims on the Department of the Interior by appointing a man from that region to be secretary. After Guy Cordon declined the post in order to remain in the Senate and wield greater influence on resource legislation, Oregon Republican leaders secured it for their governor, Douglas McKay. Although McKay had been primarily concerned with federal water-power policies while in office, he was personally familiar with the lumber industry's dependence upon access to public forests. He was also well acquainted with prominent timberland owners and operators and receptive to their criticisms of BLM's policies. The WCLA's William Greeley spoke for many associates when he greeted the appointment with enthusiasm: "It looks as though the incoming administration is going to put natural resource management back on a more solid footing of encouragement of private enterprises with the collaboration of public agencies and less domination." But the new secretary gave no specific indication of the changes he meant to make. It was not publicly known that his direction and pace were actually set by presidential advisors and by his own lieutenants.

NEW BROOMS

The administration's policymakers were determined to extend a greater measure of trust to businessmen dealing with government. Their first step was to eliminate what they regarded as bureaucratic sloth and waste. In keeping with the president's interest in executive reorganization, McKay established a committee to assess the bureaus' structures and recommend changes. The panel designated to scrutinize the BLM was headed by Floyd Hart, the Medford timber-products executive who was also on the O & C Advisory Board. Because his company cut timber on O & C sections, critics raised the question of conflict of interest. McKay insisted, however, that the reorganization committee did not deal with bureau policy. (That came within the purview of the department's new Technical Review Staff.) Hart's group found the BLM's administrative methods ponderous and antiquated. It therefore recommended division of public-domain management into state offices (much as Horning had advocated in 1946); the recommendation went into effect at the end of 1954. O & C matters thereby became a part of the Oregon State Office in a new headquarters building in Portland. Reflecting the Republican emphasis on localism, its staff was given more flexibility in decision-making over a wider spectrum of jurisdictions.

The second step taken by the new team at Interior was a purge of policy staff members who were holdovers from the Democratic administrations. The first to go was Marion Clawson. BLM's director initially expected McKay to move "one step at a time and rather slowly." He happily reported to his regional administrators that the new chief also wished to create a Department of Natural Resources "with the Forest Service as an integral part." Orme Lewis, Doty's successor as assistant secretary for public lands, seemed to be friendly, intelligent, and concerned with the bureau's problems. His order to revitalize lagging regional problems particularly encouraged Clawson. The director had equally high hopes for congressional action. Cordon, now the president's chief legislative lieutenant for resource matters, promised Clawson to make resolution of the controverted-lands issue a major item of business. Another Republican on the Senate Interior Committee, Henry Dworshak of Idaho, shared Clawson's belief that county revenue-sharing should be replaced by direct tax payments on federal lands.

Those Democrats and conservationsists who anticipated the worst from the Republican Eighty-third Congress proved to be better guessers than Clawson. The "land grabbers" of the previous sessions resumed their efforts to increase private access to natural resources of all kinds. Among their bills was one submitted by Harris Ellsworth to facilitate title confirmation for mineral entries on the O & C's domain. (To balance that, he and Cordon sponsored a measure that would enable the BLM to acquire private lands for sustained-yield forestry.) Congress also alarmed the BLM by resuming consideration of the Hoover Commission's recommendations. McKay and Secretary of Agriculture Ezra Taft Benson created a better working relationship between their two departments over the question of bureau jurisdictions. Denying that he was an "empire builder," McKay promised that there would be no competition and no "backbiting" between the two agencies. Benson did not remove Richard McArdle, named chief of the Forest Service late in the Truman administration, but did keep him on short rein. Under those circumstances, McArdle informed Cordon that the Forest Service would support the bill to resolve the controverted-lands issue. BLM officials were nevertheless aware that their performance was being compared to the Forest Service by advocates of transfer. The chances for transfer dimmed in 1954 when a conference of western senators opposed it; in October of that year, Eisenhower deferred to his advisors and agreed that the BLM should remain in Interior.

While the agency's budget was once again subjected to congressional shearing, a field problem on O & C lands focused attention on Clawson's direction of it. Salvage operations on the 250 million board feet of downed and damaged timber remained desultory in spite of the emergency regulations that had been adopted early in 1953. Citing complaints of many operators, Clawson urged McKay to let him authorize regional administrator Roscoe Bell to temporarily suspend competitive bidding and right-of-way regulations so that more intensive operations could begin. Both the lumber industry and conservationists, he noted, "deplore our inability to move along more speedily." If the recently adopted period for advertising sales of less that 100,000 board feet were reduced from over a month to one week, the work could be expedited and the timber saved. Assistant Secretary Lewis rejected the idea because he felt that the crisis did not justify departure from competitive bidding. Clawson's description of his superior's decision as "inconsistent with sound conservation objectives" may have destroyed the working relationship between them.

McKay's men apparently viewed this and all other O & C problems in the context of the ongoing controversy over federal favoritism and discrimination. A few months before taking office, McKay had promised WFIA members that he would end such *de* *facto* policies. Two months after he took office, he evidently concluded that the removal of Clawson would not only demonstrate his administration's concern for equity and laissez faire but also show the public that there was a new broom at work in the bureaucratic stables. When McKay asked for the director's resignation, however, Clawson replied with a long letter of protest defending his administration of the BLM and urging its continuation. Because he also charged that the move to oust him was politically motivated, there was no chance that his plea would be considered. (Although partisanship was undoubtedly involved in the affair, some of McKay's friends suspected that Clawson's economic philosophy was at least socialistic.)

A few days after the dismissal, McKay named Edward Woozley to be BLM director. The former Idaho state land commissioner was reportedly "capable, energetic, and resolute" — and dissatisfied with the bureau's past practices. McKay thought him especially desirable in that office because he was well acquainted with "logging interests" as well as conservation organizations. Although the O & C sections and income were a small fraction of the BLM's one hundred eighty million acres and seventy-seven-million-dollar receipts, Woozley had long been impressed with the value of its forests. Not only had they earned eight and a half million dollars the preceding year, they had cost only 14.5 percent of their earnings to administer. In statements prepared for McKay's and Lewis's use, the new director emphasized that impressive fiscal record. Unlike BLM's other land-management policies, the management of O & C lands encountered no initial hostility in the Eighty-third Congress — perhaps because of Woozley's close friendship with his fellow Idahoan, Senator Dworshak. The new director also depended on two experienced foresters from the preceding regime: John Shanklin of the secretary's office and Walter Horning ("the most useful man on my staff," he later testified).

Observation of the Goldy regime's controversies convinced Woozley that the regional scheme was partly to blame for BLM's problems in Oregon. The Portland office was trying to function as an arm of administration. It was deeply engrossed in day-to-day operations without being able to come up with day-to-day solutions. Bell, of course, did not favor decentralization. Woozley therefore appointed William Guernsey, formerly with the Forest Service in Montana, to manage the BLM's Region One until the state office was set up. When Guernsey returned to become

Woozley's assistant director, Bell's former deputy, Jim Doyle, became area administrator at Portland; Virgil Heath; Horning's principal assistant in its forestry division, was later named state supervisor. Soon after taking office, Woozley visited the Oregon office to survey the problems involved in O & C policy, particularly sales, salvage, and sustained yield. The staff members were duly impressed by his admonition to treat "those with whom we do business as customers and try to render good services to them in a friendly, reasonable, cooperative manner." The new agency policy was not, as some Democrats assumed, a matter of making federal regulations fit private interests, but rather the new administration's recognition of the lumber industry's experience in logging methods and problems.[1]

When he returned to Washington, D.C., Woozley planned the adjustments he thought were needed to restore respect and efficiency to O & C management programs. In the pressing matter of salvage operations, he recognized that Lewis's understanding was limited to BIA and Forest Service procedures, as observed during his career as land attorney in Arizona. Woozley explained to him the exceptional conditions on the O & C lands and obtained his approval of temporary suspension of regulations for the salvagers. The BLM's Division of Forestry argued that the change would complicate administrative procedures and jeopardize the income of operators, counties, and the Treasury. But Woozley wanted to maintain flexibility in all cases. When the Clawson provision for temporary rights of way expired, he incorporated it into standard regulations and applied it to negotiations for long-term agreements. In fact, he expanded the provision by permitting district foresters to make salvage sales for one million board feet, ten times the amount of timber allowed by the previous 100,000-board-foot limit. In addition, he judged that it was "right and proper" for the government to share the cost of building access roads that enhanced the value of its timber; BLM could also charge operators for the costs of use and maintenance.

The subject of cooperative sustained-yield agreements was too closely associated with the Democrats and their philosophy of government to appeal to the Republicans in charge of Interior's programs. McKay expressed the general hope that all federal forests in the Pacific Northwest would be managed on a sustained-yield basis through cooperation with private operators, especially the larger companies, and Ellsworth introduced a bill to facilitate that relationship. Woozley intended to eliminate further cooperative agreements because (as Leonard Netzorg had remarked) they were needless and controversial. He nevertheless took up the Fischer application in order to make "a clean start" on it. That subject had already generated more correspondence and documents than any other individual case in the history of the O & C. Advised by Horning that the Wasserman decision suspending operators' rights of way during negotiations was an unnecessary precaution, Woozley instructed the Portland office to make a survey of outstanding differences with the Fischer Company. He also told Doyle to avoid either favoritism or discrimination while management and sales provisions of the proposed agreement were being formulated. In order to allow Fischer to continue lumbering operations in the Mohawk Unit, the BLM extended for one more year its temporary right-of-way permit. The Woozley emphasis, Horning and Shanklin agreed, thus recognized the need for giving a broad interpretation to the problems in place of the narrow one applied by Clawson.

As with their Democratic predecessors, Interior officials' efforts to conclude the Fischer agreement shadowed their concurrent proposals to revise the Goldy right-of-way regulations. The Advisory Board had held special sessions on the problem and had, by a vote of 8 to 4 in November 1953, recommended several new rules. One would grant short-term renewable permits based on road capacities. A second would establish rental fees paid by the government for private roads but would not secure control or a share in road equities. Finally, a twenty-year limit would govern all reciprocal contracts. David Mason supported these provisions as necessary for administrative flexibility and described them (as he had once referred to the Davidson–Goldy program) as the best that could be made under the circumstances.

Travis Tyrrell emphasized that the government's road-cost evaluations were equitably based upon what private operators charged each other for use and maintenance; the burden of proof in every case would be placed on the road users. Doyle (who declared that he had been "at a point of near frustration" in applying the existing regulations) stated that constantly changing factors called for selective use of such provisions as arbitration. The new rules would not abandon reciprocity, nor did he assume that any of them would alone guarantee competition. Although Hart's review panel did not talk to the Advisory Board, it recommended the same revisions of access-road rules. These were duly ordered by McKay in April 1954.

Predictably, some members of the lumber industry hailed the revisions while others complained that BLM was "trying to turn our county roads into private roads" mostly for the benefit of large companies. In meetings of the Advisory Board, Reginald Titus and A. F. Hartung dissented, charging that large operators had sold their approval for special advantages. As Tyrrell assessed their opinions, they favored "placing the balance of bargaining power in government." They were unable to sway their colleagues, however. Sessions became so heated that even chairman Charles Sprague resorted to uncharacteristic dogmatism: he said he was "unalterably opposed" to holding public hearings to review road rules. In such an atmosphere, every subject was viewed in black-and-white extremes. Spokesmen for large companies, confident that Woozley would show "the iron fist if necessary," accused Titus and Hartung of advocating socialism and trying to make a political issue out of the regulations.

Indeed, the subject provided additional ammunition for the campaign mounted by Democrats to brand the secretary of the interior as "Giveaway McKay." In 1954, Wayne Morse urged the Senate Interior Committee to investigate all of McKay's recent decisions on resource policies. That threat, Dan Goldy and Richard Neuberger believed, caused McKay to withhold the new road regulations for the moment. As in the time of Oscar Chapman, secretarial aides received letters from friends warning that the issue was "political dynamite" in Oregon. One Republican there claimed to be "working night and day to keep this thing from exploding against our party. . . . I am going all the way with [independent operators] . . . regardless of politics." The threat of investigation by the Democrats, he believed, was "timed to do the most damage" in the approaching election campaigns. Other well-wishers hoped that McKay would recognize that he was mistaken about the impact of the existing regulations. "Doug," one of them wrote, "I urge you strongly as I know how, to come back to Oregon yourself to meet with people, to listen to all of us, and to make up your mind on the basis of facts, figures and records which have not been filtered through the various levels of your very large staff." Timber sales had increased under the present policy, but that was only part of the story. "A threat of monopoly has been eliminated. . . . This has meant jobs for working men."

By this time, McKay had to admit that administration of the O & C lands was "one of our most difficult assignments." While he and his lieutenants shared a distaste for bureaucratic tactics, the uncomfortable political shoe was now on the other foot. Rather than hold public hearings on the road regulations, they preferred the security of form letters. Drafted by Horning and Shanklin, these insisted that the greatest increase in competitive sales (54 percent) had occurred after short-term agreements had been reinstituted in April. The increase was also said to be the result of the administration's creation of the Oregon State Office. Of equal importance to sales, the new rules were designed to meet new economic conditions and the variety of population pressures on federal forest lands. So many copies of these letters were sent out that Lewis and Woozley had to relieve their chief by signing them in his stead.[2]

THE CONTROVERTED-LANDS ISSUE SETTLED

Oregonians found a main chance in the growing controversy over McKay's policies. During 1953 and 1954, A. W. Lafferty continued the campaign on behalf of the Clackamas County suit. He traveled thousands of miles, made radio broadcasts, wrote broadsides, and even drew his own cartoons. After the case was dismissed by the federal court in Portland, it was taken up by the District of Columbia Court of Appeals. Believing that the government should refrain from interference in such matters, McKay's solicitor, Clarence Davis, recommended that the attorney general withdraw the government's opposition to distribution of the impounded county receipts. When the appeals court later sustained the county's position, it recognized the controverted lands as part of the O & C's domain and ordered immediate distribution of over seven million dollars earned by timber sales on them. Lafferty pronounced it "the greatest victory of my 58 years at the bar."

The ruling made no mention of management of the indemnity lands; that question still had to be settled by Congress. In June 1953, Cordon and Ellsworth reintroduced their well-worn bill. Initial criticism came from both McKay and the Bureau of the Budget, but Cordon was able to "browbeat both of them." At the hearings, Leon Kneipp appeared like a ghost from the old battles. The appellate court's decision, he believed, meant only that the Eisenhower administration was trying to assure the reelection of Senator Cordon. Claiming to have more knowledge of the subject than anyone in either department, he asserted that if Interior's jurisdiction were confirmed, the Treasury would be deprived of half the value of the estimated eight billion board feet of timber on those lands. Senator Clinton Anderson of New Mexico was among the several members of Congress who went out to examine the disputed forests in person. Regretting that Agriculture had not been more militant when he was its secretary, he said the bill would surely fail if it recognized Interior's claim. To the alarm of the land-grant counties, other members broadened the inquiry and concluded that local government in Oregon was getting too much money.

At the request of the White House's legislative liaison, the bill was delayed until enactment of more important measures during the first year of the new administration. In 1954, however, the executive and legislative branches teamed up to secure passage. McKay assigned an Oregon BLM staff member to consult with the bill's sponsors on proper strategy, while Horning wrote publicity that emhasized the profitability of that agency's operations. Cordon and Ellsworth assured their colleagues that they favored neither the BLM nor the Forest Service. Cordon had taken an anti-Forest Service stance to help his political fortunes in the O & C counties. Ellsworth actually favored the Forest Service and argued that unless that agency was pleased with the measure, its friends would block it. When Representative John Saylor of Pennsylvania (a congressional colleague whom Ellsworth described as "a determined young man") drafted an alternate bill that would in effect be an organic act establishing all of Interior's land jurisdictions, Ellsworth begged him not to destroy all the years of effort made thus far, and Saylor withdrew his measure. Objections to the advantages enjoyed by the eighteen land-grant counties prompted inclusion of a new provision whereby all of the state's counties would share in the indemnity receipts. (It was later removed from the bill.) Cordon emphasized that the settlement was national in scope: "The O & C lands are public lands and as such they belong to the people of the United States — not to any subdivision thereof." He thereby secured sufficient support to carry the bill through Congress with comparative ease. On June 24, 1954, the president signed it as an example of his administration's "partnership" emphasis in resource policy.

The new legislation affirmed the Forest Service's administrative jurisdiction but assured Interior's distribution of timber-sale receipts. The Forest Service did not, however, have to inform the BLM in making sales or obtain its approval of contract terms. An exchange provision rounded off the compromise: both agencies were ordered to transfer acreages in order to block up nonindemnity tracts for better forest management. The general checkerboard pattern was not to be greatly altered, however. During the next two years, 242,734 O & C acres were added to adjacent national-forest lands, while 241,137 acres went into the BLM's domain. In subsequent years, the former controverted lands accounted for over a fifth of total O & C timber receipts, but individual land-grant county revenues were very little affected by the boundary changes. The temporary interagency committee that coordinated the exchanges became the basis for harmonizing other forest-management procedures between the two departments.

"After I had gotten the O & C lands back from the railroad," wrote Lafferty with characteristic hyperbole, "Cordon came along and took over. The lands have made him a fortune and a seat in the Senate." In the months after passage of the bill, the question was whether the senator could keep that seat. His critics predicted that the legislation he had sponsored would harm him in the election campaign of 1954 more than his defense of McKay's policies. The controverted-lands settlement surely loomed smaller than the touchy question of revising Title II. In June 1954, the comptroller general added to the contention by reporting that the nearly thirteen million dollars paid to the counties that year was "substantially greater than the present tax equivalent" of the lands and "in excess of the ratio of payments to states and counties from sales of timber under other acts."

There were other, more influential issues before the voters in Oregon, however. One was a long-term labor strike in the state's lumber industry; another was the resulting shortage of logs. Advised by friends of the political danger involved in these conditions, McKay pointed to the recent increase in O & C lands' allowable cut from the 1947 level of over 523 million board feet to more than 534 million board feet. (Although allowable-cut increases were always based on new forest inventories made by scientific processes, they sometimes coincided with political issues and were in effect political factors.) He also urged Woozley to facilitate final arrangements for issuing the new right-of-way regulations. If that action had been taken, it might have been a decisive factor in the race between Cordon and Neuberger. In a very close contest, the senator failed to match his opponent's strategy. (While incumbent BLM officials were forbidden by law to actually campaign for Cordon, politics brought together two "strange bedfellows" to work on Neuberger's behalf: former Forest Service chief Lyle Watts and former BLM regional administrator Dan Goldy worked with Jebby Davidson for the Democratic State

Committee.) The Democratic candidate's skin-of-the-teeth victory in November may have been confirmed by nothing more substantial than the fact that Cordon was relatively unknown to voters, especially those in populous Multnomah County (Portland). In themselves, the O & C management issues were too peripheral and too complicated to have made any difference. In at least one instance, however, they were effective, if not decisive. By arguing that the recent legislation had pared down the income of the Fourth Congressional District's counties, challenger Charles Porter almost upset ten-year veteran Ellsworth.[3]

RIGHT-OF-WAY RULES REWRITTEN

As soon as the Democratic-controlled Eighty-fourth Congress convened early in 1955, Neuberger joined Morse in an effort to turn back McKay's resources programs by every parliamentary tactic that they could use. The new senator, who revered the Forest Service, planned an investigation of federal forestry practices that would expose Interior's policies as discriminatory. Woozley nevertheless resumed his plans to resolve the toughest of all O & C management issues: the right-of-way regulations. Interior officials agreed that revisions should be "as simple and practical as possible and at the same time . . . fully protect the public interest" without favoring "any one class of operators." They could not agree, however, on whether to proceed by holding public hearings. Charles Sprague had no doubts: "I believe the public interest is fully protected without putting a gun at the head of owners of private roads and intermingled lands. After all they have some rights, and the smaller they are the louder they will cry out if their rights are invaded." Once again, Reginald Titus raised objections in the board's meetings, with off-stage assistance by Leonard Netzorg and — some Interior officials believed — by Goldy as well.

The men in Interior's solicitor's office were reportedly impressed by "a big stack of letters . . . from people in the West advocating no change in the present rules." One writer denied that the Woozley revisions would help small operators and added: "I do not consider all of this the American way of life." A spokesman for the Farmer's Union asserted that the existing regulations had accounted for the amazing increase in receipts since 1950. When Senator Neuberger drafted a bill that would make a guarantee of rights of way to smaller operators, it was his desk that suddenly held the big stack of letters. One, from Lane County's new commissioner Robert Straub, assured him local citizens did not think that large companies "should be asked to give away anything for nothing," but they should not be permitted "to box in valuable O & C timber holdings and keep them for their own use and at their own price." Titus strongly objected to the preferential treatment that would be accorded by the bill. Speaking for members of the WFIA, he insisted: "All we ask is equal opportunity" in the competition with large concerns through equitable access to small blocks of timber. They would always object to any federal agency or its employees having authority to decide "who can stay in business and who goes out."

The O & C Advisory Board had never been so active and outspoken, and never so deeply divided, as it was in debates over the road regulations in January 1955. With an eye to its efforts, McKay agreed to postpone adoption of the new rules. That action, together with another and larger increase in the allowable cut (to over 588 million board feet), failed to mollify the department's critics in Oregon. The following month, protest meetings were held in several mill towns; in April, Woozley, Doyle, and officials from the state office attended one in Portland. The director informed his audience that the new regulations would not be written solely as an outcome of such gatherings. "We are here to get your counsel and advice," he said, "to hear your arguments and facts . . . . we can redraft some of the offending sections and . . . submit the draft to everyone." Because his predecessor had tied timber production to road access, Woozley said, it was impossible to provide equitable access for all potential bidders.

The confrontation between the old ways and the new was epitomized in arguments presented by Netzorg and Harry Hogan, Goldy's onetime advisors who were now employed by different lumbermen's organizations. The former asserted that the government should not pay for a road it did not use, but should secure the highest bid by announcing the conditions of right-of-way permits before advertising timber sales. The latter brushed aside the "fictional" distinctions between "big" and "little" operators. All operators could be trusted to provide reciprocal rights of way without being required to do so, he claimed. Several members of the AOCC agreed with Netzorg that any proposal to grant long-term rights of way should be preceded by a public hearing.

Oregon's senators finally forced Interior to modify its proposals by calling for a congressional hearing on all aspects of federal timber-sale policies. As the BLM's staff prepared its presentation for the hearing, they recognized that they were vulnerable to attack on several subjects: failing to enforce right-of-way regulations and use fees, determining productive capacity in only seventeen out of seventy-six units being logged, and selling below market value even when bids exceeded appraised price. Indeed, any program could be "made to appear something less than ideal" and even "almost untenable." (The substance of the allowable cut was one example: the total announced in 1947 had soon after been actually reduced as a result of transfers with the Weyerhaeuser Company involving lands containing 25 million board feet.) The foresters therefore recommended that the bureau reexamine all of these topics and prepare corrective statements on each. When the hearings opened in Portland on November 21, however, the testimony of Interior officials was drowned out. The session was conducted by both the Senate Interior Committee's legislative oversight subcommittee and the House Government Operations Committee's resources subcommittee. Just as Senator Arthur Watkins had done in 1948, Congressman Earl Chudoff of Pennsylvania presided, seemingly with intent to discredit BLM's administration. This time "senatorial courtesy" was extended to Richard Neuberger, who questioned whether existing federal forestry policies were accomplishing what they were set up to do.

In a phrase used by one spokesman, BLM's rule by administrative fiat for both access roads and marketing areas had "some of the explosive qualities of the H-bomb"; another charged that these restrictions had twisted the sustained-yield statutes of 1937 and 1944 into "a very useful screen" for favoritism. "A situation of fundamental injustice in which public property is given to a privileged few, cannot long endure," intoned an Astoria newspaper. The Chudoff Committee's hearings in five Oregon lumbering communities secured no consensus on the question of whether "preference" insured "discrimination." Oregon's senators were certain that greater expenditure was the answer to the shortcomings of both forestry agencies' programs; Morse thereafter proposed that 25 percent of the O & C receipts be permanently assigned to maintain access roads, cruises, and inventories. In December, Interior officials revised BLM's regulations to take into account the critics' preoccupation with equity. Four amendments were added to right-of-way rules to base road use on permanent reciprocal exchanges and easements publicized in advance of sales advertisement and during arbitration proceedings. A requirement that operators post performance bonds and insure all road equipment was to be facilitated in 1958 by amendment to the Small Business Administration Act of 1953, which made federal loans available to federal timber users. A year later, however, the Advisory Board decided the measure was impractical and ineffective and asked for its repeal.[4]

SITTING ON THE LID

O & C policies continued to be a political issue in Oregon even after the right-of-way regulations were adjusted. When the new terms had been announced, Douglas McKay resigned his post to run for Morse's Senate seat. The senator preferred to be "a cat in a minefield" on the O & C land-management issues, but in the ensuing campaign other Democrats used those controversies as part of their claim that McKay's "giveaways" had devastated the state's vital lumber economy. A far more serious issue was the continuing shortage of logs and its consequences: forest-products industries vying for the available supply, reductions in the labor force because of mergers, and a depressed housing-construction market resulting in the loss of jobs and payrolls. (The rate of unemployment in the state reached 9.3 percent in 1956.) Although forewarned of these developments, Republican Party managers did little to help McKay overcome "voter fixation" on the "giveaway" charges, and he succumbed to populistic arguments used by Morse. Congressman Ellsworth had no idea that he himself was in trouble until the day before the election. This time his erstwhile Democratic challenger, Charles Porter, equated Ellsworth's forestry bills with the decline in local employment and won the veteran's seat in the House.

McKay's successor at Interior was Fred Seaton, former White House liaison for the department's policies. In the course of his first year in office, Seaton was able to "sit on the lid," upholding the partnership emphasis without letting controversies explode among developers or conservationists. Gradually, he replaced some of his predecessor's lieutenants; but because of his more formal concept of staff relations, direction of the BLM remained essentially the director's own show. The second phase of Woozley's tenure ran more smoothly than the first. For example, cooperation with the Forest Service continued, aided perhaps by the fact that an Oregonian, E. C. Peterson, was the assistant secretary in Agriculture who worked with BLM officials to resolve interagency problems.

The greatest source of tranquility was undoubtedly the BLM's statistical record. Some of the programs launched during the

Goldy regime had begun to pay dividends. The access-road system, still only 27 percent completed, earned $25,000 in tolls annually; forest inventory was half finished; and one and a half billion board feet of damaged timber had been salvaged. In 1955, O & C forests carried sales of nearly eighteen and one-half million dollars; 85 percent of 315 sales were made by competitive bidding and 70 percent of them went for more than appraised price. In 1956, there were fewer bidders but they bid twice as much as before. Sales had totaled twenty-five million dollars in 1956; the next year they slipped to about nineteen million because of the economic recession. In November 1956, Woozley raised the allowable cut for the third time in four years, to 660,700,000 board feet.

Woozley meant to hold the line on the adjustments he had already secured, but he still had to deal with a variety of problems. As one of his colleagues complained: "The O & C lands are about 1 percent of the area managed by the bureau — and it seems like they cause about 50 percent of our headaches." One of the biggest of those pains was a second problem the BLM had not resolved during the Clawson-Goldy period: the marketing areas.[5]

The effectiveness of the program launched by Walter Horning had come under increasing criticism. In the opinion of one Lane County lumberman whose dissatisfaction with O & C land management policies dated from the days of WALL, it was nothing less than "economic loss and disaster tied up in one package . . . a step toward Socialism . . . contrary to our whole American concept." Indeed, the same arguments that had been heard for years were presented on both sides of the subject. Following up on Clawson's earlier inquiries, Woozley had asked Roscoe Bell to gather the views of O & C foresters who had been on the job since Horning's time. One district chief replied that the marketing areas did not stabilize local economies and, if they did not already exist, "the play of economic forces" would duplicate all twelve of them. Another described the way in which the program encouraged local operators to make "fantastic bids" in order to eliminate their competitors. A third forester believed that reduction of the limits would actually promote more and better wood-processing plants. Only Travis Tyrrell, now area range and forestry officer, still believed in Horning's initial reasoning that the program helped determine the location of wood manufacturers.

At the outset of his tenure, Woozley had advised Secretary McKay to waive the marketing-area restrictions for salvage operations. Because the program was inextricably linked with the problems of road regulations and Forest Service practices on the controverted lands, complete solution had to await resolution of those issues two years later. Interior's solicitor did not think a public hearing was necessary. But McKay, sensitive to his critics' "giveaway" brand, suspended the program pending the outcome of such a meeting. At the conclusion of the Chudoff hearings, he gave notice that salvage operations would not be limited by marketing-area restrictions. In any case, public comments would be requested. He was nevertheless deluged with letters on both sides of the question, and the controversy hounded him from the time of his resignation as secretary to his defeat in the Senate race.

Shortly after Seaton took office, Woozley renewed his effort to resolve the problem. In January 1956, Interior retained Paul Graves, chairman of the New York State College of Forestry at Syracuse, to analyze the effectiveness and desirability of the marketing areas. His report asserted that changes in costs, production techniques, transportation patterns, and marketing methods of the lumber industry since 1937 had made the program obsolete. Moreover, BLM supported only a minor portion of the milling capacity of western Oregon; the marketing areas did not constitute any major base for sustained-yield management; nor did they make more logs available. He therefore recommended that they be abolished but that the master units by retained as a means of assuring community stability. His report greatly embarrassed Horning. The former O & C administrator did not insist that his original program had any current influence on local lumber production, but he disagreed with Graves's calculation that the restrictions had actually resulted in the loss of one and a half million dollars yearly by limiting sales to marketing-area bidders. In order to avoid requiring Horning to defend the report, thus generating a great deal of comment at the planned hearings, Woozley did not release it until October.

In April, State Supervisor Heath presided over the hearing in Portland. Of the some sixty-five people who attended, twenty testified. Of these, former Goldy aide Joe McCracken, who had succeeded Titus on the WFIA's staff, favored abolition of marketing areas. So did the spokesman for the WVLA. Several members of the AOCC agreed, although they had previously opposed McKay's waiver for the South Coast Area. A spokesman for Linn County explained that people there feared that the timber would be "floated down the Willamette" to be manufactured if marketing areas were abolished. If the restrictions "we have lived with . . . for 19 years" were removed, he said, competition would become "ruinous and destructive," and local investments would be destroyed. The issue was so hedged with contention that even the state legislature failed to act on a bill to remove its own marketing areas from state forest districts.

The BLM officials were disgusted with the Portland meeting because it had strayed from the topic at hand and degenerated into "a pressure campaign." One of them concluded that no matter which way the question was decided, it would affect no interests, and in either case it would provoke controversy. Doyle, however, believed that a substantial modification in the program would give the operating flexibility needed both in normal marketing and in emergency conditions. Even though the attorney general ruled in August that the marketing areas were illegal, Woozley chose to phase out the program gradually. (He revealed the direction he was heading in, however, by appointing McCracken to the Advisory Board in September.) Woozley tried to offset the Graves report by issuing a statement that emphasized the high prices of O & C sales. He then announced the abolition of marketing areas on all sales in April 1957. As he explained, prices paid would "naturally channel timber to the more efficient manufacturers." The Eugene *Register-Guard* hailed the decision as marking the end of an era begun in the 1930s when many believed that public timber could be used to achieve a desirable side-product: that is, the stabilizing of communities and encouragement of better management on private timberlands. The change was thus of greater significance than the revision of road regulations: one of the fundamental assumptions of the original O & C Administration was thereby totally abandoned.[6]

That same year, Oregonians observed the 1937 act's twentieth anniversary. Although representatives of the land-grant counties joined with Woozley, Horning, Doyle, and Cordon in celebration, their organization was divided over many issues. One of these was retention of the former senator as their lobbyist in Washington, D.C., at an annual salary of $12,000. A more important matter was the impact of recession on their receipts. Some county spokesmen accused the BLM of adjusting appraisals downward to coincide with the slump and of delaying calculations for sales. (The bureau had, in fact, converted to "business machines" — that is, computers — for immediate evaluations.) The counties also had to defend themselves. Others in urban and eastern areas of the state were demanding that 60 percent of the land-grant counties' O & C income (their "golden plum") be assigned to the statewide school system. In response, Lane County retained analysts at the University of Oregon to examine the subject. Their subsequent report found that the cost of county schools had increased ten times in twenty-five years. During that same period, its population had tripled (to over 150,000), wood-product industry employment had doubled, and log production had gone from 261 million board feet to over a billion board feet. Fortunately, county educators realized the importance of access roads and did not try to raid the O & C funds for their own interests. Clackamas County Commissioner Darrell Jones wondered if the time had come for the eighteen counties to unite in demanding a restoration of the 75-percent payment directly. Senator Neuberger warned, however, that many members of Congress did not know the history of that formula. If such a measure were introduced, he feared, it might result in its reduction to the Forest Service's 25 percent or even the 5 percent paid to states in lieu of taxes on the rest of the public-domain lands.

Secretary Seaton also defended the counties' interest in another matter. Although the Chudoff Committee had not revealed its intention at hearings in the West or in Washington, D.C., its report on federal timber-sale policies in August 1956 recommended the consolidation of all federal forestry agencies in one. This could be done by the president under the authority of the Reorganization Act of 1949 and confirmed by Congress before January 1959. In preparation for the move, both Interior and Agriculture would take preparatory steps by harmonizing their regulations and coordinating their programs. The change, however, would in no way affect the receipts formula for the O & C lands. McKay had objected to the committee's proposal and Assistant Secretary Lewis met twice with presidential advisors to point out that it would provoke widespread opposition in western Oregon especially. (Among those who opposed it were the WFIA, the Western Conference of Loggers and Sawmill Workers, and Republican Governor Mark Hatfield of Oregon.) On behalf of the AOCC, Cordon used his former entrée with the Eisenhower administration to halt the change. Commissioners of several counties pointedly advised Oregon's senators that they were pleased with the BLM's philosophy and "business-like management."

Neuberger did not at first agree with the praise. Indeed he had just introduced an amendment to the 1937 act that would eliminate the Interior secretary's power to impose marketing restrictions. Nor did he denigrate Forest Service accomplishments. His assistant, Robert Wolf, reminded him, however, of the likelihood that the Forest Service would be better off if it adopted the BLM's road-access policy. Area Administrator Doyle argued that "friendly rivalry" between the federal forest agencies was healthy and in the public interest. By 1959, the senator was convinced that BLM's road regulations, on O & C at least, were excellent and regretted that Assistant Secretary Peterson refused to apply them to the Forest Service. These topics were later included in deliberations that led to enactment of the Multiple Use and Sustained Yield Act of 1960 for the national forests.

After Seaton took office, Interior's Technical Review Staff advised him that consolidation would require major overhaul of both administrative and technical procedures. Horning suggested a simpler alternative whereby both agencies would offer full public information on volumes and values and road-use fees whenever they advertised exchanges of federal and privately owned timber. Woozley emphasized the costs involved, not only in expenditures but in reduction of receipts, and reminded White House advisors that the proposed reorganization would undermine progress made in cooperation between the two bureaus in western Oregon since 1954. Existing laws already prescribed conformity in federal forestry practices, he argued. Forest Service officials did not value that progress so highly as Woozley did. Cooperative effort had only simplified procedures to a degree, they claimed; the "fundamental" Forest Service practices would be the proper basis for the forestry policies of a new Department of Conservation.

In response to the Senate committee's request, the Interior Department pointed out that its methods were precisely fitted to the unique statutory requirements and functional conditions of the O & C lands; exceptions to Forest Service practices had not only been confirmed by previous Congesses, but were being included in public-land-use legislation pending before the Eighty-fifth Congress itself. Late in 1958, federal budget agents went to Oregon and concluded that good management was indeed practiced by BLM personnel. The Budget Bureau subsequently reported that, while having "considerable merit," consolidation would disrupt federal timber sales just when lumber productivity and prices were increasing. The argument evidently carried great weight in the Senate Interior Committee, which three times failed to act on the reorganization proposal. (Another factor may have been involved in those failures: a feud had developed between those erstwhile comrades, Morse and Neuberger.) While the rest of the Oregon delegation tried to remain neutral on the proposal, in January 1959 Neuberger asked the White House to submit a recommendation. He proceeded more cautiously this time, because of his concern that "undue attention" might jeopardize the receipts formula. If the Eisenhower administration decided to revise the formula, he admitted, "I'd fight like hell and go down to a glorious defeat."

Neither the O & C counties nor the public in Oregon had any inkling of the president's views on the subject. Eisenhower's advisors reportedly recognized that the subject was a "hot potato" and an issue that would "engulf them in controversy," but they knew that their chief was dissatisfied with the situation. In fact, he saw no reason why a gradual changeover would disrupt sales, and he resented Budget's announcement that it would not submit another recommendation on the proposal in the foreseeable future. He also wanted to know why so little progress had been made in the three years since legislative and executive recommendations had reached him, but guessed the reason: the matter had "all the earmarks of staffs taking over." Indeed, Interior's staff members did not conceal their delight when Seaton cancelled a scheduled meeting with Agriculture officials on the proposal.

After Eisenhower asked for further interdepartmental discussions, the Budget Bureau requested a report from Seaton within sixty days. While Woozley warned the Portland staff to make no public statements on the subject, Interior's Shanklin and Agriculture's Peterson came to an unexpected agreement in August 1960. In their joint report on uniformity, they emphasized the similarities in silvicultural inventory, appraisal, reforestation procedures, and cutting regulations. In the matter of fire protection, the BLM paid a flat rate to the Forest Service or employed it as agent under terms of cooperative agreements. The differences in sales practices could be resolved by an interbureau committee that would reconcile cutting time limits, but the BLM's use of both sealed and oral bidding was not to be changed. Many Oregonians, including the commissioners of the land-grant counties, breathed easier after these agreements ended the Eisenhower administration's consideration of combining the two agencies.

The consolidation issue was another milestone in the history of forest management on the O & C lands. That change did not take place because the strengths of BLM's administration were acknowledged and decisive. Fulfilling the aspirations of the men who built the O & C Administration, Woozley had sustained its paramount purpose by resolving the outstanding major controversies inherited from the days of Horning and Goldy. The BLM administration now stood as a yardstick against which some observers measured the practices of the agency that had overshadowed it since its inception: the Forest Service. But because Woozley's adjustments had only held the line, it was often said thereafter that "nothing happened" during his long tenure.

Much of the credit for Woozley's accomplishments went to Fred Seaton. In general, BLM was not on the secretary's list of priorities for getting things done. He enjoyed several advantages that his predecessor had not had, among them Budget Bureau directors who were far less doctrinaire. But he had formalized relationships between the department and the lumber industry to the satisfaction of both. In the third year of his administration, O & C offered over 812 million board feet for sale in 1958 and sold 760 million board feet of that amount.

According to Joe McCracken, Seaton had given lumbermen "a sense of confidence that federal timber lands can be efficiently managed." The Court of Tillamook County was more specific in its praise: Seaton had "brought the economy of our county from a recent condition of despair to a present state of prosperity and healthful expansin." Another commentator was a man who had stood at the center of the storm during most of those dozen years. The secretary's actions, he wrote to Neuberger, were "dictated by a conscious desire to do a first-class resource management job." With understandably partisan imprecision, he summed up the result: "the present administration of the O & C lands . . . is living on the fruits of a policy that was planted by Dan Goldy, survived Doug McKay's efforts to wreck it, and is now being brought to rich maturity under Fred Seaton." That was praise indeed from former Goldy counselor Leonard Netzorg.[7]

8

TAKING THE "THIRTEENTH AMENDMENT"

1959–1972

The politics of adjustment facilitated management of the O & C lands, but stability lasted only a few years. Before Republicans gave up the White House and direction of the Interior Department, a variety of experts and publicists were warning Americans that their heritage of natural resources was threatened from many directions. Congress showed some response to those warnings, but political maneuverings impeded passage of measures such as the Wilderness Bill or rendered them inadequate in both approach and application. Oregon's Democratic senators, for example, sought changes in federal forest-management policies, partly to discredit the Republicans and enhance their own party's chance to regain control of the federal executive branch. In 1959, they charged that Interior's policies were ossified; Secretary Fred Seaton, they said, not only refused to spend money appropriated for O & C programs but declined to ask Congress for further funds.

Fiscal steadfastness seemed especially unreasonable in light of the continuing climb in O & C statistics. The volume of timber sold exceeded the allowable cut by over 100 million board feet in 1958 and would do so again in 1959. After completion of a new inventory, the BLM acknowledged that its lands in Oregon could support a cut of a billion board feet, 916 million of that on the O & C sections. Oregonians of every interest naturally urged Interior to raise the allowable cut to meet that capacity and thereby lift BLM out of the "public relations doldrums" it seemed to be in. As a start, Seaton's undersecretary, Elmer Bennett, promised informally that unclassified public-domain sections would be placed under O & C forest management and their timber included in calculations of the allowable cut. In April 1959, the limit was increased for the tenth time since 1937, from 769 million to 874 million board feet. During the subsequent fiscal year, over a billion board feet were sold for thirty-four million dollars. Recognizing that both cut and sales limits were merely responses instead of guidelines, Interior officials decided to hold off further increases while the O & C forest-yield system was fully analyzed. Coordination of that research was assigned to Walter Horning, who was now in charge of public and intramural information for the BLM.

NEW FRONTIER HOPES DISRUPTED

Before reassessment of the allowable cut was completed, the political scene once again shifted. In 1960, the Democrats regained the White House after a campaign in which the "giveaway" charge was coupled with a call to "get this country moving again." Their platform plank on resource policy, alluding to the need for policy reassessment such as BLM had already begun, was written by several former Interior officials, including Jebby Davidson, and such newcomers as former Lane County Commissioner Robert Straub. President John Kennedy's choice as secretary of the interior was Stewart Udall, former congressman from Arizona. Resembling Harold Ickes in convictions if not behavior, Udall shared preservationists' belief that environmental quality should take precedence over productivity in management of federal lands. His first task, however, was department reorganization. As a beginning, he retained his predecessor's Technical Review Staff and the experienced career men in the BLM.

Early in the Udall administration, two events prompted the BLM to enlarge the allowable cut. The first of these was the formalization of Bennett's earlier promise to include the public-domain lands of western Oregon in the O & C forest-management program. There was some debate on procedure for the addition. Several staff members did not think it necessary to formally withdraw these tracts in order to preclude transfer to non-federal owners, but Horning cautioned that Oregon's people were so well aware of past losses of public lands that they would not rest easily with anything less than withdrawal. Russell Getty, now director of the Oregon State Office, agreed with Horning's assessment and advised that the more than 180,000 acres containing commercial forests and the nearly 63,000 acres of non-forest lands in western Oregon be withdrawn. John Shanklin agreed, describing the transaction as a means of facilitating future transfers of access rights. Udall, however, decided that such inclusiveness was unreasonable. At Horning's suggestion, the public-domain acres became part of the productive capacity of what was now called the Western Oregon Forest Management Area.

The recession affecting the lumber industry persisted into 1962. Average prices paid for O & C timber dropped from thirty-two dollars per thousand board feet to twenty-five dollars; bids in excess of appraisals decreased from 50 percent of sales to 25 percent, and one-bid sales more than doubled in number. In 1962, therefore, the allowable cut was raised to 1,127 million board feet — a calculation based on research by Walter Horning, one of the last assignments before his death in August 1961. The projection was modified on Columbus Day, 1962, when winds of hurricane force struck the three Pacific Coast states. An estimated five billion board feet of timber were killed or damaged; nearly three billion were in Oregon, and half of that amount was on BLM lands, including a billion feet of Douglas fir worth twenty-five million dollars. As it had a dozen years before, Congress authorized several million dollars for emergency road construction.

Udall directed his lieutenants to act jointly with the Forest Service to plan operations that would salvage the downed timber by May 1964. After conferring with 250 representatives of federal, state, local, and private organizations, the BLM decided that the terms and tenure of contracts would be adjusted to facilitate salvage for the duration of the emergency. Just as Columbus Day salvage operations reached their final stage, nature prolonged the emergency with floods in the Pacific Northwest in December 1964, damaging access to twenty million dollars' worth of O & C timber. Congress appropriated $14,820,000 for emergency road repairs, in addition to plow-back funds. In 1966, the Oxbow fire in the Siuslaw area became an additional burden. By that time, over a billion board feet of the previously damaged timber had been sold, 90 percent of it by competitive bids of over thirty-five dollars a thousand board feet (75 percent of them over the appraised price).[1]

Shortly after the decision was made to enlarge the allowable cut, Secretary Udall turned to the second of his priorities. As a westerner, he well understood the influence wielded by economic interests on public-land policies. Aware of expectations for change, Udall assigned his chief lieutenant, John Carver, to consider revision of the previous administration's O & C access-road regulations. At the outset of his tenure, Udall hoped to put a "strong" man in charge of BLM. Woozley did not qualify as such, but Udall's first choice proved ill-suited to deal with the sensitivities of the post. His second, Charles Stoddard, a forester who had been chairman of the Technical Review Staff, was named in 1963. Anticipating that there would probably be "a major blow up" involving BLM within two years, Stoddard later recalled feeling at the time that he was "walking the plank."

Udall and Stoddard generally believed that Interior was "a hundred years out of date." Real modernization was undermined, Stoddard thought, when Lyndon Johnson became president in November 1963. The former Texas senator seemed to be "always worrying about the Hill" and found "no political mileage for anyone" in departmental reorganization. Because Udall worried about his standing with Johnson, he was reluctant to make any decision except "to keep the lid on" matters that might become political controversies.

Like other agencies, the BLM administration hoped to replace patchwork executive authority with statutory bases. Wayne Aspinall of Colorado, chairman of the House Interior Committee, appeared to speak for the traditional developmental attitudes of the West, but in effect he moved slowly toward bolstering intensified federal management of public lands by legislation. Close cooperation between Aspinall and Stoddard resulted in passage of the Classificaton and Multiple Use Act of 1964. The congressman would later complain that the BLM virtually reversed the intent of the measure by using it to block up scattered portions of the public domain for better management, but the BLM received widespread local support in doing so. The informal arrangements for exchange of public-domain sections under O & C policies, begun by Seaton and continued by Udall, were thus confirmed.

Stoddard considered forestry matters "a sideline" to the more troublesome task of fending off the grazing interests. As a reorganizer, he believed that the BLM's forest lands should be transferred to the Forest Service. He had concluded during his years as an administrative overseer that the Oregon State Office had a "lopsided" position in the bureau, and its chiefs were "too damned independent." He thought that the O & C operation was outsized in several ways. Its timber production seemed to be overestimated, on technical rather than economic bases, with the allowable cut inflated by reducing the rotation age from 100 years to 75 and by use of clearcutting and oral bidding. Russell Getty was, in Stoddard's opinion, more independent than any of the other state office directors. A onetime timber-management forester for the Eugene District, Getty was thoroughly familiar with field conditions. In 1962, he had defended the increases in the allowable cut that nearly doubled the total designated five years earlier. Whether Getty knew about his new chief's views on the subject or not, the two men seemed unable to communicate very well with each other on any subject.

In order to implement the Classification and Multiple Use Act of 1964, Stoddard instructed Getty to compile a list of public-domain sections in Oregon that could be blocked up or disposed of by exchange. In response, Getty listed almost every available acre for retention. When Stoddard sought reasons for such inclusiveness, he encountered "an atmosphere of closed shop" in Portland: "nobody leveled" with him about what was going on, he later complained; they seemed to operate "by osmosis" and told no one else about what they were doing. Contributors to this situation, Stoddard believed, were Joe McCracken of the WFIA and Clackamas Commissioner Darrell Jones, who had replaced Frank Sever as spokesman for the AOCC. Evidently informed of his chief's suspicions, Getty privately concluded that he himself would be removed from the Oregon State Office. In fact, his name was on the list of several state directors scheduled for rotation under ordinary personnel policy. But when he alluded to the possibility of resigning in order to accept a teaching position at the New York State College of Forestry, Stoddard did not encourage him to make the move.

The questions raised by Getty's inclusion of all of the public-domain acres, together with the rumors of his displacement, created a climate in which a "blow up" did occur — just one month short of the two years Stoddard had predicted. Although the lands listed for retention or exchange did not include the O & C sections, they were public-domain lands included under O & C sustained-yield forest management and therefore part of O & C allowable-cut and timber-sale programs. In February 1965, several of the tracts were identified for possible exchange with Alfred Sweet, an owner of forest land in Curry County. He also owned lands within the newly created Point Reyes National Seashore north of San Francisco. Interior planned to acquire private lands within that reserve; it therefore asked Sweet (among others) to exchange his holdings for subsections of public-domain lands in other states. The National Park Service informed Sweet that such acreages were available near his Curry County property. Encouraged by lumbermen there, he informally applied to Getty to approve the "swap."

Because Getty intended that all public-domain acreages would be retained as part of the O & C allowable-cut base, he informed Sweet that none were available for this or any other exchange. (In refusing to consider Sweet's proposal, he was supported by veteran Travis Tyrrell, who thought that BLM was being used in this instance by the National Park Service and that the exchange of Oregon lands was "totally out of reason.") However, recognizing that this otherwise minor matter could exacerbate the paranoia of the O & C organizations, Getty finally agreed to support any exchanges if the Advisory Board was first informed and did not object to the transactions. In some manner (Stoddard was sure McCracken was responsible), rumors of the "Sweet Swap" were publicized first in Coos Bay and then in Portland. These reports unfortunately coincided with Getty's announcement of the program to reclassify the public-domain lands in Oregon. A great cry of "raid" on the O & C lands went up immediately and was taken up by conservationist organizations such as the Sierra Club.

In an echo of the Ballinger–Pinchot affair of 1909, the sequence of events "proved" to many observers either insubordination by Getty or malfeasance by Stoddard. While people in Oregon and Washington, D.C., may not have remembered that earlier controversy, many did remember the Fischer and "giveaway" issues of the McKay period. To head off administrative and political repercussions, Stoddard agreed to Getty's suggestion of a meeting with Sweet in Portland. Because of McCracken's unannounced presence, the director angrily concluded that he was being "set up" to participate in a clandestine "deal" and stormed out of the room. At the time, allegations against Stoddard and Getty were being spread within the department, reportedly by those who hoped to secure both the state office and the BLM directorship. To counter "grandstand statements," the local branch of the Izaak Walton League asserted that the exchanges were normal and desirable procedures and that consolidation at Point Reyes was far more important than a few tracts of public-domain acres anywhere.

For several months in 1965 and 1966, BLM's tribulations pushed all other events out of the headlines of Oregon newspapers. A flood of letters and telegrams poured into the Interior Department from alarmed Oregonians. Because there was no incumbent assistant secretary for public lands, Udall sent Undersecretary John Carver (who had formerly held that post) to preside over a public meeting in Portland on May 14, 1965. Carver admitted to being "very nervous" because he did not know whether the rumors of a deal were accurate or not. Most of those who spoke at the meeting praised both Stoddard and Getty, but Republican Governor Mark Hatfield described the proposed exchange as a threat to sustained-yield management in Oregon. (The problem of log exports to Japan — which did not involve O & C timber — and the BLM's objection to state school-land selections may have contributed to the governor's ire on this occasion.) Robert Straub, now state treasurer, insisted that "high value lands" must not be taken from Curry County to create parklands anywhere. Medford publisher Eric Allen, Jr., chairman of the Advisory Board, thought that recreation was important but that this was a case of making one resource pay for another. A spokesman for Curry County claimed that the exchange would bring in $42,000 in taxes. Sweet insisted that there was no secrecy about his proposal. The AOCC's Darrell Jones offered a curt solution to the National Park Service: "If you need Point Reyes, buy it for cash."

Like Dale Doty before him, Carver appeared overly solicitous of the special interests in Oregon — and impressed some participants as the real disruptive force in the Sweet Swap affair. When the undersecretary had several talks with Getty at Portland, Stoddard concluded that Carver was part of the conspiracy against him. The whole issue was "a fart in a windstorm" that (in the director's subsequent mixed metaphor), was used as "a red herring" to disrupt the BLM. One of his assistants made an attempt to use publicity but it backfired: when a Portland newspaperman was permitted to see private files, he selected documents to further inflate the accusations against Stoddard.

At just that point, the director pressed another sensitive issue: sealed *versus* oral bidding. The opportunities provided by the Columbus Day storm had continued to influence O & C sales through 1964. (Total cut rose to 1,682 million board feet bringing in forty-four million dollars.) By 1965, however, a return to the normal allowable-cut limit eliminated most one-bid sales. After the restoration of competition in oral bidding, 83 percent of sales were made above appraised price. Yet the General Accounting Office's analysts asserted that oral bidding lost even more income and recommended greater use of sealed bids for "a fair and acceptable return." BLM answered by asserting that selling prices varied at a greater rate than appraised prices and that neither bidding method would affect the factors (proximity to mills and sales, road costs, tax advantages, etc.) that determined the degree of competition. The bureau's foresters also disagreed with GAO on the efficacy of using third-party scaling in place of volume determination by cruise.

Suspecting that oral bidding served to inflate the harvest of O & C timber, Stoddard sent his personal assistant, Robert Wolf, and BLM forester Archie Craft to survey opinion among members of the wood-products industry in Oregon. They found as much debate on that subject as there had been on the desirability of marketing areas a decade before. Some observers, including GAO analysts, noted "questionable aspects" (the possibility of collusion) in oral bidding. Others concluded that sealed bidding was no guarantee against such practices and argued that it would disrupt mutual trust between administrators and cooperators. In response to the survey, Getty not only called for a continuation of oral bidding, he also wrote to Senator Wayne Morse, asking him to intervene to save the O & C programs. (Getty "had every reason to speak out," Tyrrell thought.) Morse assumed a stance of noninterference but passed the letter to Stoddard. Whether or not Getty had been insubordinate in his earlier actions, he was surely insubordinate in turning to Morse for help.

These intramural machinations became a political issue in Oregon during the remaining months of 1965. While insisting that public-land policies should not be made a political football, Republican state leaders hailed their governor for exposing the "Sweet Swap" in the nick of time — and undoubtedly enjoyed the publicity over heated correspondence between Hatfield and Udall. Democratic Congresswoman Edith Green of Oregon went directly to President Johnson to warn of the danger; Morse informed the president that when Congress reconvened in January, "it's more than likely that a serious controversy will develop." An even more chilling result loomed as several congressmen from the East expressed "a keen interest in the O & C formula." Confronted with the possibility that the administration would be stained by the affair, Udall cancelled the Sweet proposal and suspended all other National Park Service land exchanges.

Resolution of the personnel problem was not so easily accomplished. Udall instructed Getty to thereafter report directly to newly appointed Assistant Secretary Harry Anderson instead of going to Stoddard — surely a disruptive arrangement for proper administration. When Portland newspapers re-ignited the controversy by "exposing" Stoddard's use of a "consultant" from out of state to deal with Oregonians, Hatfield called for Stoddard's resignation. Both Udall and Stoddard had stated that Getty's status would not be changed, but the Oregon office chief was assigned to another state, declined to accept the transfer, and resigned to take the teaching post in New York. He was "essentially fired," Tyrrell concluded as he himself "essentially departed" his own long-time employment in protest. Thereafter, Interior's officials chose men to head the Portland office who would not rock any boats.

Stoddard had the satisfaction of seeing his policy decisions upheld after investigations into the affair by the GAO, the Bureau of the Budget (now called the Office of Management and Budget), and economists at the University of Oregon. Although he was in line for the assistant secretaryship for public lands, he objected to being subordinate to Carver, a man with whom he "disagreed strongly in both philosophy and style," as he later explained. Early in 1966, Stoddard decided to give up the directorship.[2]

ENVIRONMENTAL PRIORITIES

While the Sweet Swap affair took its toll of personal reputations, it also helped BLM readjust its O & C programs. That task was taken up by the new director, Boyd Rasmussen. A former supervisor of Oregon national forests that included O & C controverted sections, he had at first considered Interior's forest managers "rather arrogant." After becoming familiar with the complicated problems they faced, however, he came to admire their work, both in the field and in upper echelons of administration. He concluded that their position was superior to that of counterparts in the Forest Service because "they had a little more money to deal with . . . a little more imagination . . . a production schedule . . . [and were] interested in doing better all the time." As deputy chief in May 1966, he was one of several Forest Service officials considered by Secretary Udall, but he was the only one who seemed really interested in straightening out the demoralized bureau. Rasmussen wisely placed several conditions on his acceptance: most important, he would decide who was hired and fired (unless the secretary had pressing cause to do so), and he would handle budgetary matters. When he took over the BLM, some of his colleagues were a bit hostile, evidently because they feared that he intended to make another Forest Service out of the bureau or bring about its transfer to Agriculture. Instead, Rasmussen took immediate steps to raise their morale, by defending them against the men in the secretarial rank and by upgrading civil-service rankings. He also tactfully confined Stoddard's former administrative assistants to work that would not bring them into contact with the wood-products industry, whose leaders were still disgruntled by the policy changes that Stoddard had advocated.

Rasmussen approached problems on a "can do" basis; he ordered full speed ahead on implementing congressional land-law revisions in order to deflate preservationists' apprehensions concerning disposal of the public domain. While grazing policy continued to cause most of the BLM's director's headaches, he had far more success in dealing with the O & C. Taking matters into his own hands, he eliminated the influence of special interests quietly and quickly. He was aware that the O & C Advisory Board had declined in both efficiency and reputation since the decisive battles of the 1950s. As he viewed it, "a self serving group" ran its deliberations and decided even such detailed matters as location of access roads — sometimes on the basis of politics. Rasmussen took those decisions out of board members' hands, confined the board to a purely advisory role, and considered their advice "pretty biased." Similarly, he thought that the AOCC had lost its political "muscle" but continued to solicit its views and to inform it of the bureau's concerns for the O & C.

Rasmussen recognized that the Sweet Swap controversy had merely reflected a far more basic problem: allowable-cut policy. While the BLM was selling over a billion board feet of timber in western Oregon, Rasmussen was examining O & C veteran forester Rod Fety's plan to reduce the allowable cut. (Senator Morse had asked for such a review in 1966.) The BLM recognized that the single purpose of productivity would in the future be modified by three considerations: conservation, multiple use, and intensive forest management. Its subsequent study involved several years of cooperative work with the Pacific Northwest Forest and Range Experiment Station, special field experiments using the Eugene District as a laboratory, and consideration of the O & C Advisory Board's 1967 analysis of allowable cut. One important measuring tool used in the project was computer analysis, so complex and versatile that it could simulate future models combining every growth, production, and conservation variable involved in management of the O & C and intermingled public-domain lands. (When BLM's investigation was completed in 1967, it was endorsed by the Office of Management and Budget, which had theretofore emphasized cutting rather than regeneration.)

In the most momentous redirection of federal forestry policy since the adoption of sustained-yield management thirty years before, the BLM concluded that productivity must be balanced by policies to protect and maintain the environmental quality of the O & C lands. Its four-year analysis had indicated that 2 million of the 2.4 million acres of BLM-administered lands in western Oregon contained 50.2 billion board feet of trees that were most valuable as commercial timber. While the allowable cut was increased from 1,127 million to 1,172 million board feet, the timber-sale program was to be reduced from a projected 1,323 million to 1,172 million board feet by annual reductions of 150 million board feet over the next ten years.

Salvage and thinning programs were not to be charged against the total cut, but forty-eight million board feet would be subtracted from those lands where productivity would not or should not be the paramount consideration. About 108,000 of these acres had unstable soil that precluded intensive management; three times that area could produce timber under multiple-use and intensive-management programs. An additional 100,000 acres contained damageable soil and watershed sites and non-forest land. The nearly 50,000 acres remaining would not be harvested at all; on three times that total area, harvest would be modified. The lands thus excluded from productivity would be the sites of 72 existing and 172 potential recreation grounds, lands along 47 miles of scenic rivers and 2,000 miles of other streams, 380 miles of scenic roadside corridors, and 3,000 acres of scenic areas.

Rasmussen's definition of intensive timber management included genetic improvement, reforestation of problem areas, thinning of commercial stands to achieve better distribution of trees in order to improve growth, salvage of dead and dying trees, and control of brush and hardwood. All of these practices would increase annual growth within a period of thirty to seventy years, though a far more rapid "return on investment" was still possible where there were ample reservoirs of mature timber.

A combination of economic and political developments affected immediate implementation of the BLM's proposal. The salvage and clean-up after storms, floods, and fires had produced a "non-sustainable, temporarily inflated" level of sales. Moreover, the demand that followed passage of the Housing Act of 1968 pushed sales to unprecedented levels: although the BLM had estimated that an average sales unit would go for $51.26 per thousand board feet by 1980, prices rose from $38.53 per thousand in 1968 to $73.30 the next year, when some quantities sold for as much as $200 per thousand. Then, in the spring of 1969, the tight credit–high interest policies of the new Richard Nixon administration contributed to a reversal of that trend. For several months, the BLM reported no significant bidding in its sales. Hoping for a price recovery, some operators postponed cutting even though regulations prohibited use of market fluctuations as a reason for extending contracts.

Other actions taken by Nixon aroused conservation groups, whose numbers had increased enormously and whose influence now reached into legislative and executive bodies at every level of government. When Nixon appointed Governor Walter Hickel of Alaska as secretary of the interior, they anticipated that he would be another "Giveaway McKay." When Nixon ordered federal forest agencies to increase timber sales, they decried what former Secretary Udall called "a timber raid." (A 120-million-board-foot increase in O & C sales in 1970 was not part of that order.) By the end of their first year in office, however, both Nixon and Hickel recognized the ubiquitous public concern with "environmental quality." Congress passed the National Environmental Policy Act and established a Council on Environmental Quality that required a detailed statement for every proposed major action that might significantly affect the environment. (The act's terms were to be applied to all federal forest access.) To the surprise of many observers, Hickel donned the armor of a conservationist crusader. And on June 19, 1970, the president issued a statement directing the secretary of agriculture and secretary of the interior to formulate plans for both production and environmental quality in the management of federal timber lands.

The BLM's new inventory of lands in western Oregon enabled Rasmussen to announce a reduction in harvest levels on the O & C. He acknowledged that the change would restrict response to market fluctuations, inflate prices, hurt the land-grant counties, and affect over a thousand jobs in the lumber industry of the area. Rasmussen also asked Director Archie Craft and Resource Division Chief Murl Storms of the Oregon State Office to meet with Oregonians to assure them of the long-range practicalities of the policy. Environmentalists hailed the proposal ("a decision worthy of Solomon," the Eugene *Register-Guard* decided), Ray Doerner of Roseburg, the new executive secretary of the AOCC, agreed that the plan was flexible and that intensive management was needed, although he complained that the land-grant counties had not been informed of it until the last minute. He proposed that BLM establish a clear set of priorities based on cost-benefit ratios among the several uses of the forest lands. Joe McCracken and spokesmen for the other lumbermen's organizations objected to reductions but — in the later words of aide Robert Wolf — "Rasmussen said 'fight' and they folded."

The road to implementation was not a smooth one. During the summer of 1970, the BLM was criticized from several sides. The sharpest attack was an article by Charles Stoddard in the Sierra Club's *Bulletin* luridly titled "The O & C Formula — A Recipe for Rape." After citing the Oregon State Office for having "engineered" the Sweet Swap debâcle, Stoddard accused it of clearcutting, overcutting, unnecessary thinning, and stifling competition. He also called for an immediate reduction of the allowable cut from 1,172 million to 933 million board feet. The polemic was, of course, an extension of his earlier conviction that O & C policies were contrived and distorted. Knowledgeable Oregon foresters found his data inaccurate and viewed the author as an embittered man attempting "to pay off some grudges" and "vindicate his actions" as director. Carl Newport, an associate of David Mason's consulting firm, replied to the article in a sardonic tone. "I contend that the so called rape was on a willing victim and pregnancy has followed. And the victim . . . has given birth to multiple benefits." Among them he listed the production of enough lumber to build two million houses and annual employment for 14,000 workers who supported 40,000 dependents.

That same summer, the media carried a statement by Secretary Hickel. The government, he said, had obligations to "other forest users and to the environment." It was, in effect, public notice that he would proceed with implementing the BLM's proposal. During May and June, Archie Craft conducted meetings in Portland and other communities to elicit comments from the public, local governments, conservation groups, and the forest-products industry. In August, Oregon's Republican governor, Tom McCall, urged Hickel to hold off implementing the policy until it could be studied by the state's Forest Resources Commission. That body, which was headed by Gordon Sloan, a former chief justice of Oregon, included both forest-resource developers and experts on environmental quality. Hickel agreed to take their views into account if they presented a preliminary report before March 1, 1971, when budget calculations were due.

Before the Sloan Committee responded, Hickel's outspoken criticisms of the Nixon administration's actions on other subjects resulted in his forced resignation. His successor, Rogers Morton, sustained the decision to implement BLM's O & C proposal. While Hickel may have supported Rasmussen as part of his own instinct for gestures that could promote personal political ambitions, Marylander Morton's loyalties were not inclined toward the West. Though not directly responding to demands from Oregon, he accepted Rasmussen's modification of the plan. In order to ease the economic impact in Oregon, the reduction would be "phased in" over several years. Only a 48-million-board-foot reduction would take place in 1972; the remaining decrease of 103 million board feet would be applied in 1973 and 1974. (Under that plan, the cut would be increased from 197 million to 219 million board feet in the Eugene District but decreased in the three other southwestern districts from about 238 million to about 201 million board feet.) In March, Morton announced that the 1,172-million-board-foot limit would go into effect on July 1, 1972. The following month, the BLM's plan for balancing timber production with environmental goals became the thirteenth amendment to the order of 1938 that established the allowable cut for the O & C forests.

A month before his announcement, Secretary Morton had received the Sloan Committee's interim report. In the words of Robert Straub, the recommendations provided for "both beauty and prosperity." BLM officials agreed with the report's call for a re-inventory within each master unit. Indeed, evaluations could be made on a district and drainage-area basis, using "plowback" funds. Murl Storms's analysis of the report noted that while some cooperation with the state was possible, acceptance of more formal consultation might seem to abrogate the authority of both the assistant secretary for public lands and the BLM director. He also opposed holding more public hearings because they would be merely "non-productive window dressing." Morton's reply to McCall changed the latter point to say that public hearings "may be advisable," but he was willing to do no more than send Assistant Secretary for Public Lands Harrison Loesch as his personal representative to talk with the Oregonians and assign a departmental "interdisciplinary" committee to work with the state's officials.

The Sloan Committee's interim and final reports and the Interior Department's responses naturally aroused a new flurry of comment in Oregon. The Advisory Board heard Sloan personally and then voted seven to six in favor of the BLM's proposal. Its chairman, Eric Allen, Jr., withheld his vote but used his newspaper's editorial column to call for immediate application of the government's plan. The Sloan Report, he said, was deceptive. The counties would lose revenue (Doerner estimated it would be $1.2 million annually) and jobs, but those developments were inevitable anyway. Allen was in turn accused of deception by those who objected to the "so-called environmentalists" who equated forest productivity with environmental damage.

Secretary Morton was confronted with the dilemma familiar to many of his predecessors: that of retaining support of both developers and environmentalists. He was, however, eager to protect the president's image from the controversies engendered by Hickel and determined to recover from the latter's lieutenants the initiative for policymaking. These concerns may have accounted for the forced resignation of Boyd Rasmussen. At Morton's direction, the latter had consulted with Oregon's congressmen on the reduction program. Among them was Wendell Wyatt, a veteran of the McKay debacle of 1956, who proposed a cooperative plan whereby federal incentives in the form of seedlings and labor costs would make possible reforestation of rural and urban areas in the state. Rasmussen did not agree to the fiscal basis, but when he submitted his "phase-in" proposal for the allowable cut, he urged Morton to make no further public statement on the subject without first informing the state's congressional delegation. Soon afterwards, Rasmussen was "kicked upstairs" to an advisory post and one of BLM's state office chiefs appointed director in his place. In the later phrase of a longtime Interior watcher, it was another example of the department's penchant for "cannibalizing" its talented administrators. Of far greater importance, BLM's adoption of the Thirteenth-Amendment policy during the Rasmussen years had virtually insured the continuation of the unique, complex, and significant arrangement called the O & C.[3]

Epilogue

1976: PATTERNS OF THE PAST AND THE FUTURE

By 1919, the federal government assumed unprecedented responsibility for the revested and reconveyed forest lands in western Oregon. Sixty years later, it had a rich storehouse of experience to draw upon in establishing a permanent basis for sound forest management. The need for new foundations was recognized first by the report of the Public Land Law Review Commission and then by a presidential timber policy committee, chaired by former Interior Secretary Fred Seaton and including former BLM Director Marion Clawson. In October 1971, Congress considered several measures that would give fiscal incentives to non-federal forest-land owners for their participation in intensive management of all timbered acreages. Interior officials declined to endorse the PLLRC's emphasis on "dominant use" management as the determinant for forestry policies and criticized its idea of tying funds to selected management units while the remainder were left to "scramble for scraps." Secretary Morton instead recommended a bill that would authorize disposal of public-domain tracts only if such transfers would lead to improved management. At the hearings, former governor Mark Hatfield, now a United States senator, proudly cited administration of the O & C lands as proof of what could be accomplished through cooperative practices and adequate financing. Other provisions required the interior secretary to re-inventory the lands under his jurisdiction and to recalculate harvest and regeneration schedules within the context of environmental statutes.

In effect, the proposed Federal Land Policy and Management Act (FLPMA) would be an organic act for the BLM, according to it specific statutory power necessary to enforce policies which had

best copy available

been only administrative orders. BLM officials tried in vain to keep the O & C Administration out of legislators' deliberations. Members of the Oregon congressional delegation united to defend the "untouchable" arrangement of 1937. They knew that the subject could still contribute to political fortunes: for example, the issue had helped Democrat James Weaver defeat Republican Representative John Dellenbach of the Fourth District in 1974. As the Medford *Mail-Tribune* pointed out, no elected Oregon official wanted to be responsible for the loss of receipts and consequent tripling of taxes in the eighteen land-grant counties.

When the House Interior Committee resumed consideration of the land-management bill, Weaver violated the custom of freshmen being seen but not heard by accusing Congressman Sam Steiger of Arizona of trying to secure expenditures for nonproductive public-domain lands in his own state. The latter answered by repeating the attacks on the O & C formula used by others in preceding years. Because the Arizonan apparently had enough support to change the formula, Weaver had to withdraw from the confrontation. When the FLPMA was passed in 1976, it repealed dozens of related land-use laws but not the 1937 act. In future matters of uncertain application, the earlier statute was to prevail whenever commercial forest land was involved.

In a larger sense, this and every other controversy in the history of the O & C lands has been an expression of the dilemma of democracy: who shall make the decisions? In a climate of reform, the oligarchy of the railroad era had been replaced by administrators, but these men were poorly directed by the 1916 act and only vaguely responsible to a general economic interest. After twenty years of feeble federal response, activists in both the industry and the government hammered out a more specific mandate for Interior's managers to use, one that was economically beneficial while serving the public interest at all levels. A subsequent generation concluded that variables of market, democracy, and nature could best be handled through the certainties of quantification and systems analysis. New technologies such as computers and telecommunications have enabled the department's office and field forces to formulate policies and control operations with immediacy and precision.

The bulk of management nevertheless remained a matter of interaction among the same elements that were embodied in the 1937 act. After forty years, those factors had been altered in impact as well as appearance. The overall purpose of the "checkerboard" was no longer simply productivity, and its value was no longer exclusively a matter of distributed profits. Neither BLM nor the GAO now pursued better schemes to squeeze more dollars out of O & C forests. Bidding above appraised prices was no longer absolutely desirable. The goal of competition was modified by designing sales primarily to insure broad forest-management purposes. The total allowable cut remained the same under the Thirteenth Amendment, but actual timber sales rose to 1,233 million board feet in 1974 and then dropped to 1,121 million board feet. Such fluctuations relected in part removal of wage–price controls. In terms of income, however, actual receipt figures set new records nearly every year. As if in answer to those who predicted that the costs of environmental "out-takes" would pare down O & C revenues, the BLM marked the sixtieth anniversary of revestment with astounding statistics. Administration of those timberlands had cost 300 million dollars for that entire period, but it had also brought in a billion dollars in timber sales.

Because stumpage prices had quadrupled in just the most recent four years of that time, the eighteen counties would soon receive one hundred million dollars in receipts annually. In application, those statistics promised a rerun of the best years/worst years period. A survey sponsored by the AOCC in 1968 had updated estimates made nine years before. The results showed that O & C stands accounted for 17.5 percent of the timber harvest in those counties, sustained 13,500 jobs, and contributed over eighty-nine million dollars in payrolls to the local economy. In Roseburg, 25 percent of employment and 23 percent of the economy depended on O & C timber.

County governments elsewhere in the state and nation might be envious of such sums, but they would undoubtedly find them as much a worry as a blessing. In the four most southwesterly counties, O & C receipts still constitute a large proportion of total revenues. For example, in 1972, Lane County received nearly six million O & C dollars, amounting to 17.6 percent of its total revenue. In 1976, thirteen and one-half million O & C dollars constituted 16.1 percent of its income. Lane County officials were able to allot two million dollars to public buildings without bonded indebtedness or interest payments. But budgets require more than a year of advance planning; market, legislative, and natural changes gave neither BLM fiscal analysts nor those in the county courthouse more than six months to predict receipts. O & C income can drop by several million dollars, but the cost of maintaining the high level of goods and services increases as much as 10 percent a year.

Having committed expenditures from the general fund that contains O & C monies, Lane County and its colleagues require a continuing high income from that source to fulfill those commitments. Budget officials lament that county voters only vaguely realize that the O & C is "a very fickle revenue." Every effort to raise property taxes beyond 6 percent has been rejected at the polls. Nor do citizens understand that a change in their tax base would take place if there were a prolonged decline in O & C revenue while the timber on recently reforested areas matures. County commissioners are therefore wisely planning for the position of a county forester to oversee interagency management of the forest lands within their boundaries.

The general trend of the 1970s has been increased federal contribution to programs administered by local governments. This is a promise not so much of greater local benefits as of greater federal supervision. The deaths of Guy Cordon and Charles Sprague in 1969 seemed a reminder that the days of the great tribunes in O & C history had passed. Whence could come salvation now? During the 1960s, the BLM's strongest friend in the Congress was not an Oregonian at all but Representative Julia Butler Hansen of Washington State. In 1962, Congressman Michael Kirwan of Ohio forced the "plowback" portion of the O & C Fund to include costs for BLM administration and also called for a revision of the county receipts formula. In 1969, Senator William Proxmire of Wisconsin, coached by former BLM director Charles Stoddard, again brought that skeleton out of its closet. His criticisms may have influenced the outgoing Johnson administration to include in its land budget a limitation of payments to the O & C counties. Oregon's congressional delegation successfully pressed the incoming Nixon administration to eliminate the restriction.

The O & C Advisory Board's longtime role as liaison between federal and local views was by then nearly at an end. The proliferation of special interests in membership and the passage of federal legislation regulating the functions of all such boards had ended its former influence and made it vulnerable to the contemporary charge that it was a "tool of the establishment." During the Nixon administration, its reputation declined to the point where no one wanted to serve on it, and it was abolished as part of the 1976 management act. The other "watchdog" of the O & C, the AOCC, was admittedly still "a little abrasive" in raising issues that BLM officials could not publicize (e.g., the need for more personnel). Its members stood together against Lafferty's ideological heir, Robert Jones of Clackamas County, in his suit to recover the $178 million paid out as "plowback" funds by Cordon's system of amending BLM appropriations annually. Even though Lane County stood to receive twenty-seven million dollars of the total, the Eugene *Register-Guard* saw "scant chance" that the other land-grant counties would join in an effort that could destroy the formula. The suit was subsequently dismissed by an appeals court and the United States Supreme Court has refused to hear the case.

To some extent, the role of O & C defender devolved upon such area newspapers as the Medford *Mail-Tribune*. But the solicitation of understanding and support among all sectors and interests was still basically the principal task of the BLM's district managers, as much so in the electronic age as it had been in Walter Horning's time. Each manager supervised an office and field force larger than Horning's entire roster. The old custom of holding meetings in which all interests had an opportunity to "take a crack" at them was too unwieldly and fell into disuse. Instead, staff members reviewed all programs at regular intervals. They were cognizant of most interests because their conferences consisted of highly technical exchanges among specialists from the many agencies involved in environmental-quality programs. Although operators continued to complain about sales and use regulations, cooperation between BLM and the lumber industry now depended not so much on contract terms as upon what Roseburg District Manager Jim Hart described as "an awareness of what we're after."

The "best shots" had been fired at them during the controversies of the preceding years. By shaping their procedures to fit every possible circumstance and problem, BLM men now have a ready answer for every applicant for timber or other land use, and adjustments are built into the system. For example, when the Nixon administration's Economic Stabilization Program of 1971 froze stumpage prices, BLM confined annual increases to $5.50 per thousand board feet. Demand declined and operators complained of "unrealistically high" appraisals and costs. In the field, however, they were content to have the BLM maintain cutting, road-maintenance, and environmental-protection requirements determined for each tract assigned to them. Indeed, their own foresters now accompany those of the bureau on preliminary inspection trips of the areas to be cut and continue their association during and after the harvest.

Two other elements in O & C administration have changed since the Horning era. One is the increased potency of organizations that have altered the concept of community welfare, as it was defined by the 1937 act. Unlike sportsmen and recreationists, these environmental groups claim to be defenders of nothing less than human life. Unlike their predecessors also, they seem to have (in Jim Hart's phrase) "a real unwillingness to sit down and talk about the facts." Preferring to emphasize emotionalism and to manipulate public opinion through the news media, they by-pass direct consultation. Because most citizens have slight knowledge of the complexity of federal responsibilities in administering the O & C lands, the BLM's refusal to use the same tactics seems to confirm these critics' charges and thus give them additional influence.

The publicity of a new generation of conservationists obscures the fact that the managers of the O & C forests have conducted reforestation, recreation, and preservation programs for decades. For example, the number of acres reforested annually increased from three thousand in the early 1950s to more than twenty thousand each year in the 1970s. The Recreation Act of 1954 specifically excluded the O & C lands because single-purpose use was not permitted under the Act of 1937 but that exclusion was ended by amendment in 1959. The BLM secured other specific authority to provide recreational use of thousands of acres of its domain in western Oregon. It has also entered into agreements with the National Park Service and other federal and state land agencies for cooperative programs in recreation and the preservation of environmentally "fragile" areas. At the outset of the 1960s, moreover, the AOCC voted unanimously to apply a portion of their "plowback" funds to recreational development; as a beginning, $87,000 were "plowed back" for that purpose.

Since the 1960s, BLM has carefully revised many traditional field practices to insure that environmental interests are being protected in the field. Its foresters have modified the use of clear-cutting (preferred for regeneration of Douglas fir), confining that method to tracts in which silvicultural considerations made it essential and increasing use of partial cutting elsewhere. While the use of pesticides had been an important tool in reforestation during the preceding decades, the public cannot be expected to understand why such chemicals, whether sprayed from helicopters or applied as coating on seeds, are used on O & C lands but apparently not "on the other side of the fence" in the national forests. As an alternative, seedling plants are used, but that program requires BLM to search far for an adequate seedling supply because reforestation of wind-devastated and fire-damaged areas quickly depletes local supplies. In conformity with both public and statutory concern for endangered species of wildlife, interagency panels also designate some wildfowl nesting sites as "reserve areas" in many tracts. Similarly, contractors are prohibited from logging stands that have a high scenic value.

During the surge of environmentalist concern in the late 1960s, a film called "Pass Creek" inaccurately but impressively "exposed" ecological damage allegedly wrought by BLM's forest-management practices. District officials thereafter included fisheries, soil, and wildlife experts in planning programs. But the incident raised a larger question of whether the O & C Administration can readily adjust its larger priorities and prove its policies' worth. As late as 1976, another "Sweet Swap" type of disruption loomed when critics charged BLM with a "coverup." Also in 1976, Medford District Manager Donald Schofield claimed that the local harvest rate was a third more than the even flow required for sustained yield and that 85 percent of the sales were based on marketing of timber instead of silvicultural or environmental considerations. When Murl Storms, now state director, thereafter included Schofield in a reassignment of district managers, Eric Allen, Jr., resigned from the Advisory Board in protest over the transfer. Once again, Stoddard publicized his opinion that the BLM was hand in glove with the lumber industry's interests.

The BLM was also challenged by a "new kid on the block," one that had been on the field of operations even before revestment. Building on the statutory foundations of the Sprague administration, the Oregon State Board of Forestry now had detailed management programs. It added half a million acres to its jurisdictions, rehabilitated cutover lands, and applied new regulations to forest users. In 1972, the legislature enacted a forest use practices act and thereafter strengthened administrative machinery and liability requirements. The State Board of Forestry also utilized projections and analyses provided by Oregon State University's forestry laboratory and computer terminals. Thus equipped, it has reasserted its long-held arguments for state control of the O & C forests. The problem of fire protection is a case in point. The BLM terminated its contracts with the OFPA in 1952 and thereafter paid the state directly as much as fifty cents an acre for its fire-protection services. The federal agency assumed responsibility for its own fire-prevention measures but did not extend them to lands intermingled with the O & C sections. The state forester now emphasizes that his board's concerns encompass all ownerships. While the BLM has many other kinds of responsibilities, the state can concentrate on a few such programs.

Problems of "right" and "wrong" choices in forest-management policy are not to be resolved just by complex technology or jurisdictional arrangements. The general purpose of quality control increases the number of problem areas without disposing of the old questions: title transfers for blocking up, regeneration and growth cycles, favoritism in sales on either practical or philosophical grounds. The politics of administration still persists as a factor in any such choices. President Nixon revived the dream of many interior secretaries by advocating the combination of the BLM and the Forest Service in a Department of Natural Resources. In the opinion of former director Boyd Rasmussen, that move came "awfully close" to realization before "Watergate." A few years later, Cecil Andrus, a truly Ickesian head of Interior, tried to absorb the Forest Service in his department's bureau, but the Jimmy Carter administration soon abandoned its attempt to gain congressional approval.

No matter how publicly "invisible" this small operation in just one state may remain, the O & C management will insure high-quality productivity and sustain local and national economic benefits. In doing so, it will continue to serve as a model for the nation's administration of its natural resources.

APPENDIX

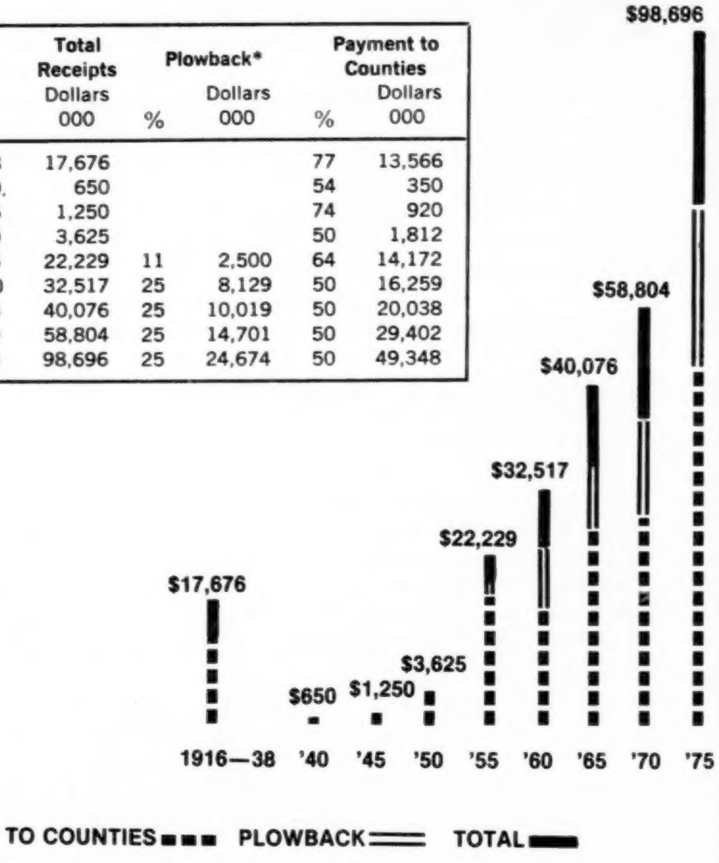
Amount and Distribution of O & C Sales Receipts

Prices Paid for O & C Timber

AMOUNT AND DISTRIBUTION OF O & C SALES RECEIPTS

IN MILLIONS OF DOLLARS

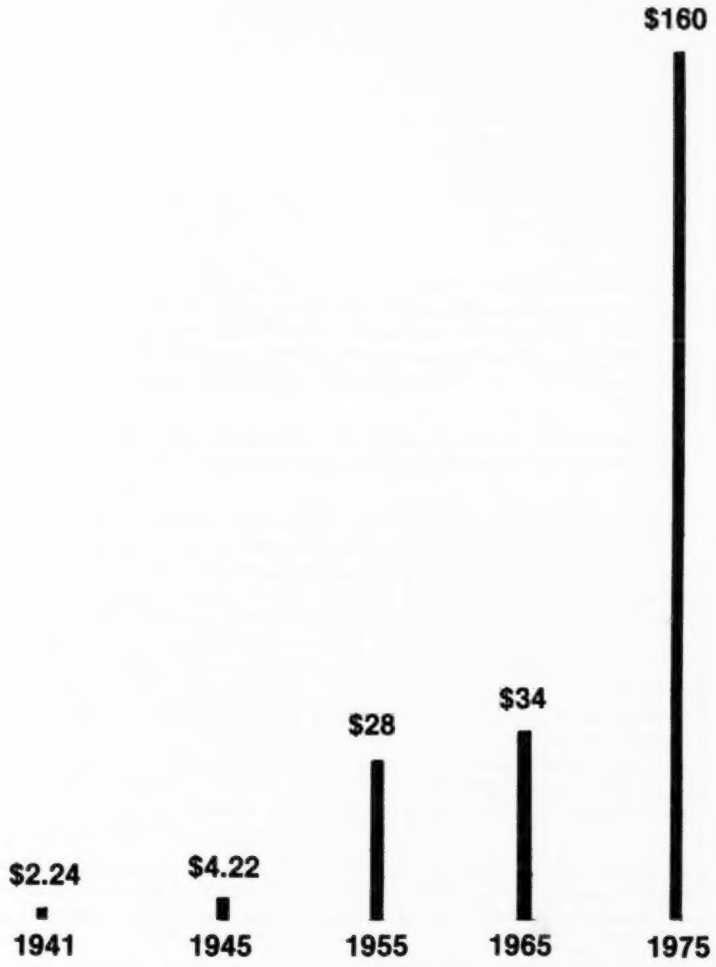
	Total Receipts Dollars 000	Plowback* %	Plowback* Dollars 000	Payment to Counties %	Payment to Counties Dollars 000
1916-38	17,676			77	13,566
1940.	650			54	350
1945	1,250			74	920
1950	3,625			50	1,812
1955	22,229	11	2,500	64	14,172
1960	32,517	25	8,129	50	16,259
1965	40,076	25	10,019	50	20,038
1970	58,804	25	14,701	50	29,402
1975	98,696	25	24,674	50	49,348



* **Plowback** funds were used for a variety of activities, beginning with the years shown: 1953: road construction • 1955: road maintenance • 1958: forest development (reforestation) • 1959: a share of controverted-lands revenues to the Forest Service • 1961: recreation construction • 1963: recreation maintenance • 1964: forest management (one year only) • 1965: forest protection • 1968: forest management

PRICES PAID FOR O & C TIMBER

APPROXIMATE FIGURES IN DOLLARS PER THOUSAND BOARD FEET



FIGURES ARE BASED ON PUBLIC LANDS STATISTICS FOR THE GIVEN YEARS

NOTES

MAJOR SOURCES

Federal Archives: Records of the Secretary of Agriculture, the Bureau of Land Management, the Forest Service, the General Land Office, and the Secretary of the Interior in the following depositories: Department of Agriculture, Washington, D.C.; Federal Records Center, Seattle; Department of the Interior, Washington, D.C.; National Archives, Washington, D.C.; Washington National Records Center, Suitland, Maryland.

Oregon Archives: Records of the Lane County Court and Commission, Court House, Eugene; Papers of the Governors and the State Board of Forestry, Oregon State Archives, Salem.

Manuscript Collections: Association of O & C Counties Papers, Roseburg, Oregon; Roscoe Bell Papers, Harry S Truman Library, Independence, Missouri; Harris Ellsworth Papers, University of Oregon Library, Eugene; William Greeley Papers, University of Oregon Library, Eugene; Walter Horning Papers, University of Oregon Library, Eugene; Harold Ickes Papers, Library of Congress, Washington, D.C.; Charles McNary Papers, Library of Congress, Washington, D.C.; David Mason Papers, Forest History Society, Santa Cruz, California, Mason, Bruce and Girard, Portland, Oregon, and Oregon Historical Society, Portland; Wayne Morse Papers, University of Oregon Library, Eugene; Northwest Forest Products Association Papers, Forest History Society, Santa Cruz, California; Richard Neuberger Papers, University of Oregon Library, Eugene; Frank Sever Papers, University of Oregon Library, Eugene; Society of American Foresters Papers, Forest History Society, Santa Cruz, California; Joel Wolfsohn Papers, Harry S Truman Library, Independence, Missouri.

Printed Documents: Annual reports of the Commissioner of the General Land Office and the Director of the Bureau of Land Management; hearings before Interior, Forestry, and Public Lands committees of the Senate and House of Representatives.

Oregon Newspapers: The Eugene *Register-Guard*, the Portland *Oregonian*, and the Portland *Oregon Journal*.

Interviews: Kenneth Burkholder, former Range and Forestry Officer, BLM, Portland; C. Girard Davidson, former Assistant Secretary of the Interior; Lester Dunn, Rights of Way Officer, BLM, Washington, D.C.; Leonard Netzorg, former regional counsel, BLM, Portland; Boyd Rasmussen, former director, BLM, McLean, Virginia; and Robert Wolf, former assistant to the director, BLM, Washington, D.C. The tapes of these and other interviews used herein are at the Forest History Society, Santa Cruz, California.

Although it is customary to cite names, dates, and locations for specific items used in the narrative, the multiplicity of individual documents and letters drawn upon for each paragraph would require many additional pages of notes. The alternative style employed here is a compromise, adequate to the needs of scholars engaged in further research and to the less specific interest of the general reader. Citations are gathered according to the topics discussed in each chapter and arranged generally according to the sequence of subtopics. They indicate the folders containing the items and other relevant material used, the number of document box or carton holding those folders, the name or number of the collection itself, and its location. These notes employ the following abbreviations for repositories whose materials have been cited and are followed by a list of the primary collections and other sources consulted.

Bancroft — Bancroft Library, University of California, Berkeley
BLM-P — Bureau of Land Management, Oregon State Office, Portland
DDEL — Dwight D. Eisenhower Library, Abilene, Kansas
FDRL — Franklin D. Roosevelt Library, Hyde Park, New York
FHS — Forest History Society, Santa Cruz, California
FRC-S — Federal Records Center, Seattle
FS-P — Forest Service, Portland, Oregon
GP — Georgia Pacific Company Museum, Portland
HSTL — Harry S Truman Library, Independence, Missouri
LCPM — Lane County Pioneer Museum, Eugene, Oregon
LC-D — Library of Congress, Documents Division, Washington, D.C.
LC-M — Library of Congress, Manuscripts Division, Washington, D.C.
MBG — Mason, Bruce, and Girard Company, Portland
NA — National Archives, Washington, D.C.
OHS — Oregon Historical Society, Portland
OSA — Oregon State Archives, Salem
ROHO — Regional Oral History Office, University of California, Berkeley
UO — Manuscripts Division, University of Oregon Library, Eugene
UW — Manuscripts Division, University of Washington Library, Seattle
UWy — Manuscripts Division, University of Wyoming Library, Laramie
WNRC — Washington National Records Center, Suitland, Maryland

PROLOGUE

1. *On the federal land grant to the Oregon railroad companies, 1864–1904:* "Chronology of the Oregon & California Land Grant," "Memorandum as to data found in the office of the County Clerk of Marion County, Salem, Oregon, February 3, 1909 . . ," "Information Found at Washington, D.C., Relating to Litigation . . ," 5-1, 6P I and II, Booth-Kelly Lumber Company Papers, GP (hereafter cited Booth-Kelly); Jerry O'Callaghan, "The Disposition of the Public Domain in

Oregon" (unpublished Ph.D. dissertation, Stanford University, 1951); John Ganoe, "The History of the Oregon and California Railroad," *Oregon Historical Quarterly* 25 (September, 1924), 236–283, (December, 1924), 330–352; David M. Ellis, "The Oregon and California Railroad-Land Grant, 1866–1945," *Pacific Northwest Quarterly* 39 (October, 1948), 253–283; 2-1869, J. C. Gill Papers, OHS (hereafter cited Gill Papers); packets 171–178, 19, Lands and Railroad Division, Records of the General Land Office and Bureau of Land Management, Department of the Interior, Record Group 49, NA (hereafter cited RGLO/BLM); S. G. Elliot, *Report of the Preliminary Survey of the C & O Railroad* . . . (Boston, 1865), 13; Joseph Wilson, *Railroad Lands in Western Oregon* . . . (San Francisco, 1872); Willard Reid, "Projection, organization and construction of the Oregon and California . . . Railway . . ," ca. 1885, holograph, Bancroft; O & C Railroad Company, "Annual Report of the President . . . 1881 . . . 1882," 5, LC-D; O & C Railroad Company, *Reports*, 1879–1904, 1-2 1-2, Records of the Railroad Commission, Department of the Interior, Record Group 193, NA (hereafter cited RRC); Board of Directors Minute Book, O & C Railroad Company, Oregon Division, Southern Pacific Railroad Company, microfilm copy, OHS.

2. *On the federal investigations of O & C Railroad Company and Southern Pacific Railroad Company land policies, 1885–1912:* John Mitchell, "Brief and Synopsis of an Oral Argument . . ." (Washington, D.C., 1884), 7–19, LC-D; 11-1, Booth-Kelly; Timberlands, 16, Thomas Neuhausen Papers, UO (hereafter cited Neuhausen Papers); *Columbia River and Oregon Timberman* (June, 1901); "Timber Lands, Eugene, Oregon," 1909–1912, LCPM; Letters Received, 1902, RRC; "Message from the President of the United States . . . O & C Lands," Senate, February 3, 1908, LC-D; Timberland Frauds, 1907–1913, 2-32, 2-8, part 1, Central Files, Records of the Office of the Secretary, Department of the Interior, Record Group 48, NA (hereafter cited ROS); S. A. D. Puter, *Looters of the Public Domain* (Portland, Oregon: Portland Printing House, 1908); "Oregon and California Land Grant . . ," 1908, 3–4, 45, "Hearings . . . Public Lands Committee of the House . . ," May 12, 14, 1908, 176–184, "Southern Pacific and Oregon & California Railroad Companies, Brief . . . Supreme Court . . . 1909," 6–7, 35, 63, "Brief for the Defendant . . . 1910," 1–24, 49–50, 60–61, 63–66, 93–123, "Reply Brief of the Defendant . . ," 9, 18–19, 77, 115, "Argument of the Complainant . . ," 141–148, 153–154, 192, 228, 252, 337, 351, 454, "Decision and Opinion of Judge Charles Wolverton," 1913, LC-D; Trespass, Oregon, 1908–1911, 594, part 1, 2–7, Central Files, ROS; R62-1, Booth-Kelly; "Report of the Attorney General . . ," 1910, 5–7, "Oregon and California Land Grant, Hearings . . . House . . ," 1912, 11–16, 33–48, 55–62, 65–76, "Suits in Oregon, Hearings . . . Senate," April 24, 1912, 8–33, LC-D.

3. *On the General Land Office's administrative dilemma, 1913–1914:* 2-184, 822, Forest, part 2, O & C Administration-1, Central Files, ROS; 248, BLM-P; 8, Western Forestry and Conservation Association Papers, OHS (hereafter cited WFCA); Administrative General-Conservation, 1-70, O & C Lands, Disposition, 2-184, O & C Railroad, General, 2-8, part 1, Central Files, ROS.

CHAPTER 1

1. *On differing views of federal responsibilities for the O & C grant lands, 1915:* 12, WFCA; Thornton Munger, "Forest Resources in the Northwest," 1967, ROHO; 8511-1, 8508-569-2-2, Records of the Federal Trade Commission, Record

Group 122, NA; Eugene *Register-Guard*, 1915, *passim;* 15-132, Journal of the Lane County Commission, Court House, Eugene, Oregon (hereafter cited JLCC); "Oregon State O & C Railroad Land Grant Conference, Official Proceedings, September 16, 1915," OSA; II-594, 595, O & C Administration-II, O & C Railroad, General, 2-8, part 3, Central Files, ROS; 21, 40, Neuhausen Papers; *Register-Guard*, 1915–1916, *passim*.

2. *On formulation of the Chamberlain–Ferris bill and response to the act, 1916:* 317, 318, BLM-P, O & C, Lands-Status, Records of the Forest Service, Record Group 95, NA (hereafter cited RFS); "Oregon and California Land Grants: Hearings . . . House," February 17–March 21, 1916, parts 1–9, "Report to Accompany HR 14864 . . ," 1916, "Hearings . . . Senate . . ," May 5, 1916, LC-D; 15-73, JLCC; August, 1916, meetings, Eugene Chamber of Commerce Minute Books, LCPM (hereafter cited ECCM); "Oregon Land Grant: Opinion of the Supreme Court . . ," 1917, LC-D; *Register-Guard*, 1916, *passim*, March 26, 1917; Robert Jones, *One by One* (Marylhurst, Oregon, 1973), which recapitulates Lafferty's interpretation; Louis E. Bean, "Remarks . . ," February, 1917, 26–27, LC-D.

3. *On problems involved in implementing the 1916 act, 1916–1925:* Ti.ber and Timberlands, O & C, 2-184, O & C Administration, GLO Cooperation FS, 2-50, part 3, Central Files, ROS; *Biennial Reports of the State Forester*, 1910–1922, Oregon State Board of Forestry, Salem; 13, WFCA; Walter Horning, "The Act of August 28, 1937: The Story of Its Enactment," BLM-P; Meetings, 1919–1923, 2, 317, 318, 325–329, ECCM; Ernest C. Rands Files, 20, 53–55, 69–71, BLM-P (hereafter cited Rands Files); O & C, Lands-Status, RFS; Pierce, O & C, 14, Neuhausen Papers; 5, WFCA; 2, William Greeley Papers, UO (hereafter cited Greeley Papers); O & C, 42, Charles McNary Papers, LC-M (hereafter cited McNary Papers); "Investigation of the Administration of National Forests and Public Domain Lands . . . Senate . . ," 1925, part 9, LC-D; David T. Mason, Diary, April 7, 14, May 5, June 16, July 9, 24, 27, November 13, 1936, OHS (hereafter cited Mason Diary).

4. *On the Stanfield Act and the O & C during the later 1920s:* Stanfield, 1-127, O & C, 1921–1928, 597-500, 2-8, part 3, 7, Central Files, ROS; "Hearings on a Bill to Reimburse the O & C Counties . . . House . . . Senate . . ," 1926, LC-D; Memorandum Brief and Cordon correspondence, Guy Cordon Papers, OHS (hereafter cited Cordon Papers); 17–18, JLCC; 11, Frederick Steiwer Papers, OHS (hereafter cited Steiwer Papers); March–April, 1926, 3, "Industrial Survey . . ," 1928, ECCM; Douglas County, 16-36, Association of O & C Counties files in the possession of Ray Doerner, Roseburg, Oregon (hereafter cited AOCC-D); *Register-Guard*, March 18, April 23, September 28, October 1, 14, 1926; Historical Data File, 632, ROS, FRC-S; O & C, 39, McNary Papers; 318, 319, BLM-P; "Relief for Land Grant Railroad, Hearing . . . House . . ," March 31, 1928, LC-D; O & C Boundaries, 52934, RFS, FRC-S; GLO Cooperation FS, 54125, RGLO/BLM, FRC-S; "Tax and Assessment Records for Lane County . . ," Volume 3, ". . . Assessment Roll . . ," "Statements of Amounts Due . . ," ROS; 30, 30-1a Reorganization, Ray Lyman Wilbur Papers, Hoover Library, Stanford University, Palo Alto, California; 73, National Forest Products Association Papers, FHS (hereafter cited NFPA); Timber and Timberlands, O & C, 181, 183, 1-70, part 3, part 22, CB, part 2, 2-8, Central Files, ROS.

CHAPTER 2

1. *On the variety of proposals for administration of the O & C forests, 1931–1935:* O & C, 1933, Lands-Status, RFS, FRC-S; Mason Diary, 1932–1935, *passim;* David T. Mason and Donald Bruce, *Sustained Yield Forest Management as a Solution to American Forest Conservation Problems* (Portland, 1931); 12, 13, WFCA; 1933–1934, part 25, 2-8, Central Files, ROS; 680.3, Records of the National Resources Planning Board, Record Group 187, NA (hereafter cited RNRPB); 6, 34–35, 20, JLCC; O & C, 42, McNary Papers; 10, Harris Ellsworth Papers, UO (hereafter cited Ellsworth Papers); Clifford Hall, "Forest Taxation Study, 1926–1933," 1967, ROHO; U-2, Leon Kneipp Papers, Bancroft (hereafter cited Kneipp Papers).

2. *On Harold Ickes' views of the O & C problem, 1933–1935:* Conservation, part 1, 1-70, Forests, part 3, Land Grants, O & C, Timber and Timberlands, 2-8, parts 23, 29, 2-8, Central Files, ROS; 62, entries for June 25, December 12, 22, 1934, February 4, 1935, Harold Ickes Diary, LC-M (hereafter cited Ickes Diary); SAF, U-2, Emanuel Fritz Papers, Bancroft (hereafter cited Fritz Papers); 17, 18, 41–51, Rands Files; Ovid Butler, "The Oregon Checkmate: How the Federal Government is Blocking the Conservation of the Nation's Greatest Remaining Forest," *American Forests* 42 (April, 1936), 157–162, 196–197; 7-15, 5-26, David T. Mason Papers, OHS (hereafter cited Mason Papers).

3. *On consideration of the first DeRouen bill, 1936:* entry for January 27, 1936, Ickes Diary; O & C, 39, 42, McNary Papers; 3196, part 1, 2-8, ROS; 1769, 1804, Office Files 149, FDRL (microfilm copy at FHS); O & C Lands-Report, Solicitor, ROS; 27–40, Rands Files; "Meeting of Public Lands Committee of the Oregon State Planning Board . . ," July 24, 1936, Planning Council, 1935, 21129, RFS, FRC-S.

4. *On formulation and passage of the second DeRouen bill, 1936–1937:* O & C Lands, General, Legislation, Solicitor, ROS; O & C Boundaries, 52934, RFS, FRC-S; 477, Harold Ickes Papers, LC-M (hereafter cited Ickes Papers); O & C, H-P, 2, Walter Horning Papers, UO (hereafter cited Horning Papers); 21–26, Rands Files; Mason Diary, 1936–1937, *passim;* 7-15, Mason Papers; 633, 2291, FDRL (microfilm copy at FHS); Walter Horning, "The Act of August 28, 1937"; entries for July 1, 25, August 4, 15, 18, 25, 1937, Ickes Diary; David T. Mason, "The Effect of O & C Management on the Economy of Oregon," August 28, 1962, O & C Advisory Board File, MBG (hereafter cited O&CAB); "Relating to the Revested Oregon and California . . . Lands . . . Hearings . . . House . . ," May 17, 19–21, 24–26, 28, June 1–2, 4, 7, 1937, 10–14, 23–25, 28–32, 36, 116–117, 124–125, 152–158, 174, 183, 195, 209–214, 217, 228–229, LC-D; entries for November 4, 21, December 12, 1937, Ickes Diary.

CHAPTER 3

1. *On the outlines for an O & C Administration, 1937–1938:* entries for January 1, 18, February 13, 16, March 12, September 18, 1938, Ickes Diary; 12, Burley, Steiwer Papers; Walter Horning, "First Regulations for Sustained Yield . . ," 19, 21, 22–26, BLM-P; Department of Conservation, O & C Lands, 2, Horning Papers; entry for December 27, 1937, Mason Diary; Forestry, 39, McNary Papers; Emanuel Fritz, "Teacher, Educator, and Forestry Consultant," 1972, ROHO; G-1, 3, 17, 18,

Fritz Papers; Reports, O & C 8, Joel Wolfsohn Papers, HSTL (hereafter cited Wolfsohn Papers); Illick Report, part 38, 3198, Timber and Timberlands, part 33, 2-8, Central Files, O & C, 3196, Solicitor, ROS.

2. *On the appointment of Horning, 1937–1938:* O & C, Solicitor, ROS; entry for January 18, 1938, Ickes Diary; author's interview with Boyd Rasmussen, November 30, 1977; John D. Coffman, "Forest Protection in the National Parks," 1973, ROHO; entry for December 18, 1937, Mason Diary; 3, 8, BLM-P; Horning, American Forestry Association Papers, FHS (hereafter cited AFAP); O & C, 2, 3, Horning Papers.

3. *On Horning's initial organization, 1938–1941:* Horning, Kenneth Burkholder Papers, on loan to author (hereafter cited Burkholder Papers); *The Forest Log* (Salem, Oregon), April, October, 1937, March, June, 1938; 22, 418, 509, 631, BLM-P; 2–16, 19, Rands Files; Correspondence, 1938–1941, O & C Lands, Horning Papers; entries for September 23, December 28, 1938, Mason Diary; O & C, Timber and Timberlands, part 13, 3196, part 32, 3197, parts 5, 6, Administrative General, 1-70, 2-8, Central Files, ROS; State Planning Board, Cooperation-BLM, 63A404, 51807, 66743, RFS, FRC-S; Forest Resources, 14-2, 142636, RGLO/BLM, FRC-S; O & C, Status-Lands, 4342, 1914–1939, FS-P; author's interview with Gene Knudson, October 10, 1977; Kenneth Burkholder, "The Land Use Planning Activities . . ," Walter Horning, "Forest Management on the O & C . . ," "Recent Developments . . ," "A Proposed Program for Grazing . . ," 1939, "Planning Sustained Yield Forest Management . . ," ca. 1942, Burkholder Papers; John Woods, "Moves on the Oregon Checkerboard," *American Forests* 46 (October, 1940), 451–453, 478–479; Interior Department, 39-27, R5-5V, 57-98, 20, Papers of the Governors, Record Group G4, OSA (hereafter cited PGO); Personal, 7, Greeley Papers; "Forest Resources of the Pacific Northwest: A Report . . ," 1938, III-13, 680-3, RNRPB; Hubert Sampert, "Forestry Administration in the O & C Revested Lands" (unpublished M.A. thesis, Syracuse University, 1941); Forestry Bill, 2, NFPA; Lands Division, 47350, RGLO/BLM, FRC-S; Conservation, 3, 2553, part 9, Secretary's Office Files, ROS; 303–306, BLM-P; Horning to Cordon, March 15, August 8, 1940, Cordon Papers.

4. *On the problems and productivities of wartime, 1942–1944:* O & C, 1943, Travis Tyrrell Papers, copies on loan to author (hereafter cited Tyrrell Papers); "O & C News Notes," May 8, 1943, Burkholder Papers; 301, 510, BLM-P; O & C File, Cordon, Horning Papers; Cooperation-BLM, 66743, RFS, FRC-S; entry for June 1, 1942, Mason Diary; O&CAB; HR 2367, 10, Ellsworth Papers; Scrapbook, BLM-P; O & C, Solicitor, ROS; Forest Defense 76A-68, 3, Taxes, 56-52, 16, 5, 96A-68, PGO; part 4, 3, Secretary's Office Files, ROS; Greeley, c-4, AFAP.

CHAPTER 4

1. *On the development of the General Land Office–Forest Service dispute over the indemnity lands, 1938–1940:* Legal Data, 47351, RGLO/BLM, FRC-S; Cooperation-BLM, 66743, 54125, RFS, FRC-S; O & C, 1, Horning Papers; GLO, 165, Ickes Papers; Walter H. Lund, "Timber Management in the Pacific Northwest Region, 1927–1965," 1967, ROHO; entries for February 4, 17, April 21, June 5, August 4, December 1, 1940, Ickes Diary; *Curry County Reporter* (Gold Bank, Oregon), September 26, 1940; O & C, 2790, Solicitor, ROS.

2. *On the Wolfsohn–Granger agreement and Ickes' defense, 1941–1945:* O & C, Lands-Status, 25, 26, Cooperation-BLM, 54125, RFS, FRC-S; O & C, Cordon, 1, Horning Papers; Controverted Lands, 473501, RGLO/BLM, FRC-S; OS-140-FS, Cooperation, 2-50, Solicitor, Records of the Secretary of Agriculture, Record Group 16, NA; Leon Kneipp, "Land Planning and Acquisition, U.S. Forest Service," 146–178, 1975, ROHO; Legal Data, 47350, 47351, RGLO/BLM, FRC-S; Grant Lands, part 15, 2-8, Central Files, ROS; Controverted Lands, 14, WFCA; 61-6, 61-12, Fritz Papers; Trip, 17, Wolfsohn Papers; Correspondence, 1943–1944, Mason Papers; 192, NFPA; 165, Ickes Papers; entry for April 12, 1941, Ickes Diary; "Oregon and California Railroad Grant Lands . . ," *Washington Post*, December 13, 1943; Fiscal, 1, Horning Papers; "Hearings . . . Senate . . ," May 6–7, 1943, "Relating to the Administrative Jurisdiction of Certain Public Lands . . . Hearings . . . House . . ," August 11, 1943, February 14–16, 21–26, 29, 1944, Letters from . . . Interior . . . Agriculture . . ," 1945, LC-D; H. H. Chapman, "The Cure for the O. and C. Situation," *Journal of Forestry* 43 (August, 1945), 569–574; entries for December 9, 16, 1944, July 28, August 4, November 14, 25, 1945, Ickes Diary.

3. *On O & C matters in the jurisdiction of the BLM, 1946–1948:* author's interview with C. Girard Davidson, October 14, 1977; O & C Land Grants, Timber and Timberland, 2-6, Central Files, Assistant Secretary File-Davidson, ROS; O & C, Cooperation-BLM, Lands-Status, 54125, RFS; C-4, AFAP; 192, NFPA; 16, Wolfsohn Papers; Interior General, 3910a, Vol. II, p-1-1, Records of the Bureau of the Budget, Record Group 51, NA (hereafter cited RBB); Assistant Secretary File-Davidson, ROS; Cordon, 1, Horning Papers; Federal Lands and Forests, NRC, 11, C. Girard Davidson Papers, UO (hereafter cited Davidson Papers); author's interview with Marion Clawson, November 7, 1977; BLM, 68, 401, 10, 12, Julius Krug Papers, LC-M (hereafter cited Krug Papers).

CHAPTER 5

1. *On the first proposals for master units and cooperative agreements, 1939–1946:* GLO, Solicitor, ROS; entries for December, 1939, April, May, 1941, August, 1944, Mason Diary; 17-16, 1943, Mason Papers; BLM-O & C, S Plans, Cooperative Units, 10897, RFS, FRC-S; CB, part 4, Land Grants, 2-8, ROS; O & C Correspondence, 1, 2, Horning Papers; 5, 7, Greeley Papers; Greeley, C-4, AFAP; Walter Horning, "Information Concerning the . . . Master Units and Marketing Areas," BLM, 1947, Burkholder Papers; Master Units, Tyrrell Papers; author's interview with Travis Tyrrell, August 25, 1977; Knudson interview; Siuslaw Hearing, 5, 63A551, RGLO/BLM, WNRC; Timber and Timberlands, Sustained Yield Unit, Land Grants, parts 1 and 4, 3195, 2-6, Central Files, ROS; O&CAB, 1945–1948; Siuslaw Hearing transcript, BLM-P; C-4, AFAP; Cooperation-BLM, 54125, RFS, FRC-S; 7, Greeley Papers.

2. *On Davidson's reassessment of policy, 1947–1948:* Davidson interview; author's interview with Daniel Goldy, December 10, 1979; Timber and Timberlands, Land Grants, 2-6, Central Files, ROS; O & C, 3, Horning Papers; Siuslaw Hearings, 63A551, RGLO/BLM, WNRC; BLM, 7, Roscoe Bell Papers, HSTL (hereafter cited Bell Papers); 77, Wayne Morse Papers, UO (hereafter cited Morse Papers); Hearings on Upper Willamette and Douglas Master Units, Mohawk Sustained Yield Units, 1947–1948, BLM-P; O&CAB, 1948; Cordon, 1, Horning Papers; author's interview with Leonard Netzorg, June 7, 1978; Interior Committee, 120,

Joseph O'Mahoney Papers, UWy (hereafter cited O'Mahoney Papers); Cooperation-BLM, Lands-Status, RFS, FRC-S.

3. *On Davidson's June 2, 1948, statement and its aftermath:* Davidson interview; Goldy interview; Siuslaw Hearings, 63A551, RGLO/BLM, WNRC; O & C, 3, Horning Papers; 10, Ellsworth Papers; 120, NFPA; Lands, Assistant Secretary File-Davidson, ROS; *News Review* (Roseburg, Oregon), February 9, June 23, 1948; *Oregonian* (Portland), February 15, 1948; *Register-Guard*, April 13, 14, June 3, 1948; BLM-O & C, S Plans, Cooperative Units, 10897, RFS, FRC-S; Cooperation-BLM, 54125, RFS, FRC-S; BLM, 7, Bell Papers; 13, Krug Papers; Knudson interview; Sustained Yield Units, Timber and Timberlands, 2-6, Central Files, ROS; *Crow's Pacific Coast Lumber Digest*, September 2, 1948.

4. *On the initial success of the Goldy team, 1948–1949:* Davidson interview; Goldy interview; Clawson interview; Netzorg interview; Political, 3, Richard Neuberger Papers, UO (hereafter cited Neuberger Papers); Cooperation-BLM, 54125, RFS, FRC-S; *Oregon Journal* (Portland), October 4, 5, 1949; Rules and Regulations, 631, part 2, 142636, RGLO/BLM, FRC-S; BLM, Solicitor, ROS; BLM, Bell Papers; BLM, 122, NFPA; 2363, 10, Ellsworth Papers; *Oregonian*, November 30, 1949; 67, Krug Papers.

CHAPTER 6

1. *On the consequences of increased timber sales, 1949–1952:* Forestry Programs, 6, Greeley Papers; Historical Data, Regulations, 142635, 142636, RGLO/BLM, FRC-S; MIP, 1949–1950, RBB; BLM, 122, NFPA; BLM, Solicitor, ROS; Reports, 3, Horning Papers; 206, 510, BLM-P; 1, A. W. Lafferty Papers, in the possession of Robert Jones, Lake Oswego, Oregon (hereafter cited Lafferty Papers); Chapman, 50, Ickes Papers; 58–60, Oscar Chapman Papers, HSTL; BLM, 68, Krug Papers; Clawson, 7, Bell Papers.

2. *On the right-of-way policy and receipts formula, 1949–1951:* Goldy interview; Clawson interview; author's interview with Robert Wolf, November 21, 1977; Netzorg interview; Knudson interview; Interior-1, 76-71, 2, 57-4-5b, 3, PGO; Sustained Yield Units, parts 3, 16, 17, Timber and Timberlands, Land Grants, 2-6, ROS; Personal File, Tyrrell Papers; BLM, 27, Wolfsohn Papers; Cooperation-BLM, 54125, RFS, FRC-S; O&CAB, Roads; AOCC, 1951–1952, Frank Sever Papers, UO (hereafter cited Sever Papers); McKinley Correspondence A–Z, Oswald West Papers, OHS; Goldy, Clawson, 7, Bell Papers; Interior Committee, 130, O'Mahoney Papers; 4, 10, 13, Politics, Cordon, Lafferty Papers; 17, Sawyer, Ellsworth Papers; Political, 3, Neuberger Papers; Corvallis (Oregon) *Gazette*, September 30, 1950; *Oregonian*, May 5, 1950, November 19, 1952; Medford (Oregon) *Mail Tribune*, December 19, 1952; Oregon City *Enterprise-Courier*, June 25, 1953.

3. *On resumption of the Fischer negotiations, 1949–1951:* BLM, 7, Bell Papers; 120, NFPA; Sustained Yield Units, part 4, Timber and Timberlands, Land Grants, 2-8, Central Files, ROS; 1948, 7, Greeley Papers; AOCC, 1950–1951, Sever Papers; Access Roads, 26, Neuberger Papers; *New York Times*, April 2, 1951; *Washington Post*, May 18, 29, July 3, 1951; BLM, 7, 60A488, RGLO/BLM, WNRC; author's interview with Harry Hogan, December 7, 1977; Dan Goldy, " 'Big' Versus 'Little' . . . ," *Annals of the American Academy of Political and Social Science* (May, 1952), 93–98.

4. *On the forest fires and access-road regulations of 1951: Oregonian*, Sunday Magazine, May 17, 1953; 57-1, 1, 5, PGO; Sustained Yield Units, parts 4, 38, Timber and Timberlands, 2-8, Central Files, ROS; BLM, 120, NFPA; Tyrrell interview; Netzorg interview; Correspondence, 1950–1951, AOCC, Sever Papers; BLM, Solicitor, ROS; Cooperation-BLM, 54125, RFS, FRC-S.

5. *On the sequence of BLM's tribulations, 1951–1952:* Timber sales, 3, 63A551, RGLO/BLM, WNRC; Sustained Yield Units, part 4, Timber and Timberlands, Land Grants, 2-8, Central Files, ROS; 7, 8, 9, Bell Papers; Policy, 142636, Sales, Umpqua, 47351, RGLO/BLM, FRC-S; 735, BLM-P; Legislation, 60A488, RGLO/BLM, WNRC; Cooperation-BLM, 54125, RFS, FRC-S; *Oregon Journal*, September 9, 12, 19, 1952; 120, NFPA; Clawson interview and comments, May, 1979; Charles McKinley, *The Management of Land and Related Water Resources in Oregon: A Case Study in Administrative Federalism* (Washington, D.C.: Resources for the Future, 1965); O & C, Kneipp Papers; 2, Lafferty Papers; "Forestry, Range, and Water, Portland, Seattle, Eugene," Kenneth Heschler File, HSTL; Politics, 13, Ellsworth Papers; *Register-Guard*, October 30, 1952.

Chapter 7

1. *On the initial policies of McKay's lieutenants, 1953–1954:* Personal, Greeley Papers; BLM, Solicitor, Sustained Yield Units, parts 5, 39, Timber and Timberlands, Land Grants, 2-8, Central Files, ROS; O & C, 8, Bell Papers; 117, 115, 4, 3-WW, GF 17, OF4C, OF125C, Papers of Dwight D. Eisenhower, DDEL (hereafter cited Eisenhower Papers); 1, 206, 508, BLM-P; Clawson interview; Clawson, Sawyer, Tudor, Secretary File, Douglas McKay Papers, UO (hereafter cited McKay Papers); DeVoto, 22, Robert W. Sawyer Papers, UO; 2, Lafferty Papers; Sawyer, 17, Ellsworth Papers; Edward Woozley to the author, November 11, 1977; GAO, "Report of Investigation of the Sale of Government-Owned Timber . . ," March 31, 1953, 46–55, 142635, RGLO/BLM, FRC-S; Access Roads, 26, Al Sarena, General Correspondence, 37, Neuberger Papers; Forestry and Timber Sales, part 1, 155, 66A140, RGLO/BLM, WNRC.

2. *On Woozley's handling of Fischer and right-of-way problems, 1953–1954:* Forestry and Timber Sales, part 1, 155, 66A140, RGLO/BLM, WNRC; Sustained Yield Units, part 5, Timber and Timberlands, Land Grants, 2-8, Central Files, ROS; Fire, 5170, RGLO/BLM, FRC-S; Woozley to the author, November 11, 1977; 7, 8, Bell Papers; 801, BLM-P; General Correspondence, Northwest Lumber Manufacturers Association, Cordon–Wagner Papers, UW; Rights of Way, part 1, 66A140, RGLO/BLM, WNRC; 17-5, 6-6-52, PGO; BLM, 122, NFPA; *International Woodworker* (Portland), February 23, 1955; BLM press releases, August 14, 1953, December 2, 1955, August 27, 1956.

3. *On resolution of the controverted-lands issue and Cordon's defeat, 1953–1954:* Forest and Timber Sales, part 1, 154, 155, 66A140, RGLO/BLM, WNRC; "Hearings on S. 2225," May 4, 1954, LC-D; Edward Crafts, "Congress and the Forest Service," 38-39, 47, 1975, ROHO; Wolf interview; Leon Kneipp, "The Basic Facts," Kneipp Papers; Meetings, Historical Data File, 10966, RGLO/BLM, FRC-S; McKinley, *The Management of Land;* O & C, 122, NFPA; 11-1, Land, 47350, ROS; Lewis, Secretary File, McKay Papers; Timber Sales, 63A551, Regulations, 142636, RGLO/BLM, FRC-S; Access Roads, 26, General Correspondence, 37, Neuberger Papers; 4, Lafferty Papers; 10, 11, 14, 15, 17, Ellsworth Papers;

Kneipp, "Land Planning," 89; 1, Jess Gard Papers, UO (hereafter cited Gard Papers); Politics, 1954, Davidson Papers; author's interview with Harry McKitrick, December 2, 1977; AOCC 1953–1954, Sever Papers; 201, 211, BLM-P; BLM, Solicitor, ROS; Land Exchanges, 17890, RFS, FRC-S; Interior Committee, 120, O'Mahoney Papers.

4. *On Woozley's revision of right-of-way regulations, 1954–1955:* Rights of Way, 142635, RGLO/BLM, FRC-S; Access Roads, 26, Neuberger Papers; AOCC, 1955, Sever Papers; AB, 3, part 1, 69A-2058, RGLO/BLM, FRC-S; McKinley, *The Management of Land;* O&CAB, 1955; *Oregonian*, March 16, 1955; Astoria (Oregon) *Budget*, November 18, 1955; "Federal Timber Sales Policies . . . Hearings . . . Senate . . ," November 14–18, 21–22, 26, 1955, LC-D.

5. *On conditions in Oregon and Seaton's beginnings, 1955–1957:* "The Situation in Oregon," 38, Pyle File, Eisenhower Papers; Political, 1, Gard Papers; National Committee, 1956, Davidson Papers; Political, 14, Ellsworth Papers; AOCC, 1955–1957, Sever Papers; Access Roads, 26, Neuberger Papers; O & C 2, 3, Horning Papers; Woozley to the author, November 11, 1977; Federal Land Policy, 12, Fred Seaton Papers, DDEL (hereafter cited Seaton Papers); Forestry, 154, 66A140, RGLO/BLM, WNRC.

6. *On Woozley's abolition of the marketing areas, 1953–1957:* Politics, 1955, 14, Sawyer, 17, Ellsworth Papers; Access Roads, 26, Neuberger Papers; Correspondence, 1955, BLM, Frank Barrett Papers, UWy; Paul F. Graves, *A Study of O & C Marketing Areas* (Washington, D.C.: Bureau of Land Management, 1956); Timber, 5, 63A551, Forest Sales, parts 2, 3, 155, 66A140, 6-4, 1-7, and 8, 23-4-1 in 14-43, Regulations, 55-60, 142636, RGLO/BLM, WNRC; *Register-Guard*, February 7, 1957.

7. *On land-grant counties' problems and proposed transfer of the Bureau of Land Management, 1957–1960:* AOCC, 1959, Sever Papers; O & C, 1958–1959, 26, Neuberger Papers; Interior, 191, Charles Porter Papers, UO; O & C Lands, 2, Horning Papers; Timber Uniformity Coordination, 3, 63A551, Forestry, 6, 60A488, RGLO/BLM, WNRC; 1957, AOCC-D; McKinley, *The Management of Land;* McKitrick interview; 11, 71, A 79, 59-2, PGO; AOCC, 1960, Sever Papers; "Responses by Federal Agencies to the Report on Federal Timber Sales," 1958, LC-D; *Register-Guard*, March 22, 1956, March 29, May 14, June 30, 1957, April 7, 1959, September 29, 1960; Forests, part 1, 36, 69A058, RGLO/BLM, WNRC.

CHAPTER 8

1. *On the increase in allowable cut, 1958–1962, and the Oxbow salvage operation:* Monthly Progress Reports, Forestry Costs, 9, 63A551, Regulations, 142636, Forestry Situation, 37, 69A2058, RGLO/BLM, WNRC; BLM, Seaton Papers; *Annual Report of the Director* . . , 1960–1962, BLM, Lands, part 1, 66, 69A2058, RGLO/BLM, WNRC; Natural Resources Committee, 11, Davidson Papers; AOCC, 1961, 26, Neuberger Papers; AOCC, 1959, Sever Papers; 428, 505, 506, 514, 516, 607, 608, 609, 618, 624, 702, 704, 717, BLM-P; *Register-Guard*, April 1, 1959, September 29, 1960, February 23, 1961; 618, BLM-P.

2. *On the intentions of the Udall–Stoddard administration, 1962–1965, and the Sweet Swap affair:* author's interview with Charles Stoddard, December 14, 1977; Getty, BLM-P; Rights of Way, 142635, RGLO/BLM, FRC-S; Wolf interview; Point

Reyes, 74, 48-78-6, Forestry, parts 2 and 3, 36 and 37, 69A205-8, RGLO/BLM, WNRC; *Report on . . . Certain Programs of Land Exchange . . . BLM and National Park Service* (Washington, D.C.: Government Printing Office, September, 1966); 501, BLM-P; Mason Files, 1962, MBG; Stoddard–Getty–Morse Correspondence, and A. Robert Smith, "Washington Correspondent . . ," 63–79, Robert Wolf Papers, in Wolf's possession, Washington, D.C. (hereafter cited Wolf Papers); "The Sweet Swap in Retrospect," *Oregon Report* (Portland), June 17, 1966; "Proceedings, Public Meeting, Portland, May 14, 1965," Wolf Papers; *Oregonian*, April through June, 1965, and July 15, September 18, 1966, October 31, 1967; *Albuquerque Journal*, November 7, 1965; news release, Department of the Interior, April 27, 1965; 701, BLM-P; Charles Stoddard, "The Oregon Controversy," August, 1966, in the possession of the author; Netzorg interview; author's interview with Lester Dunn, December 23, 28, 1977; author's interview with Joseph Dose, January 5, 1978; Tyrrell interview.

3. *On the Rasmussen administration and the Thirteenth Amendment, 1966–1971:* Rasmussen interview; "An Allowable Cut Plan for Western Oregon," "An Economic Assessment of the . . . Plan . . , Forestry, Sustained Yield," Office Files, Department of the Interior, Washington, D.C. (hereafter cited OFDI); "The Ten Year Potential . . ," Forestry, 5460, Morse Papers; "Recommended Allowable Cut Policies . . ," July 25, 1967, O&CAB; Bidding, 2, 49-74-2, Timber, 3, 63A551, Committee, 9, Forestry, 36, Forestry Sales, Sustained Yield, 69A2058, Sales, 27, Lands, 51, Sustained Yield Management, 48-78-6, RGLO/BLM, FRC-S; 1962–1970, AOCC-D; *Register-Guard*, August 27, October 12, 1962, March 30, August 21, November 28, 1964, October 8, November 20, 30, December 28, 1965, March 31, 1970; *Mail-Tribune*, July 2, 1971; *Oregonian*, March 9, 1971; Roseburg *News-Review*, September 20, 1972; Charles Stoddard, "The O & C Formula: A Recipe for Rape," *Sierra Club Bulletin* 55 (January, 1970), 14–17; 1970, AOCC-D; Budget 2, Division 1, Allowable Cut, 3, 49-74-2, Forest Practices Act, 3, 49-75-1, McCall Letter, 49-75-1, RGLO/BLM, WNRC.

EPILOGUE

1. *On exemplary conditions and problems of O & C forest management in the late 1970s:* Rasmussen interview, Dunn interview, Wolf interview and subsequent comments, Dose interview, author's interview with Jerry O'Callaghan and subsequent comments, December 23, 1977, author's interviews with Ray Doerner, June 20, 1978, Charles Shell, October 18, 1977, James Hart and William Rouse, June 20, 1978, J. E. Schroeder, June 13, 1978, Theodore Maul, June 14, 1978; Eric Allen, Jr., to the author, July 3, 1978; Alberto Herrera, Jr., interview with Charles Shell, September 15, 1978; "Lane County . . . Bonds, Services, 1978," Lane County Courthouse, Eugene; *Register-Guard*, August 27, 1962, March 18, April 2, July 16, 1969, February 2, March 31, 1970, May 13, 1975, January 1, 1976; *Oregon Journal*, July 10, 1969, January 16, 1976; *Oregonian*, April 11, 1976; Keith Tollenar, "The Significance of the O & C Forest Resource in Western Oregon" (Oregon State Office, BLM, 1968); President's Panel, White House Task Force, Cooperative Relations, Wage and Price Controls, BLM Report, 49-75-1, 4, and 2, 4, 49-76-13, 2, 49-76-13, 1, RGLO/BLM, WNRC; Appropriations, BLM Programs and Development, 1975–1976, OFDI; Portland Chamber of Commerce, "Preliminary Report," February 28, 1966, 5020, 142625, Bidding, 5450, 142637, Congressional Inquiries, 5022, 142625, Timber Sale Contracts, 5460, "Report on the Role of the AB," De-

cember 16, 1963, RGLO/BLM, FRC-S; Timber, 2400, 70A6533, RFS, WNRC; 5, 933, 49-74-2, RGLO/BLM, WNRC; Pest Control, 2, President, Interagency Committee, 3, Cooperative Relations, 4, Cooperation, GAO, Clearcutting, 5, Sales, 6, Multiple Use, Relationships, Appraisals, 49-75-1, RGLO/BLM, WNRC; Oregon State Board of Forestry, *Forestry Program for Oregon*, with supplements (Salem, 1977); John Beuter, et al., "Timber for Oregon's Tomorrow," *Research Bulletin* 19, Oregon State University Forest Research Laboratory, 1976.

INDEX

Adams, Alva, 56
Advisory Board, O & C, 53–54, 71–71, 76, 86, 96–97, 104, 106–108, 110, 115–116, 120, 122–123, 125, 127, 137, 141–142, 144, 147, 159, 167, 172, 175
agrarian interest in O & C/CB lands, 1, 4–5, 7, 13–14, 16, 22–26, 29, 32–33, 41, 48–49, 106, 111, 141
Agriculture, Department of, *passim*. *See also* Forest Service, jurisdictional claims to O & C/CB lands by; proposed transfer of
Albany, Oregon, 103
Allen, E. T., 21, 39, 45, 60–61
Allen, Eric, Jr., 159, 167, 175
allowable-cut policy on O & C/CB lands, 53, 55, 72, 114, 117, 140, 142–143, 145, 150, 153–156, 158–159, 160, 162–163, 165, 167, 171
American Forest Congress, 90
American Forestry Association, 49
American Forests, 49, 74, 76
Anderson, Clinton P., 89–90, 139
Anderson, Harry, 160
Andrews, H. J. (Hoss), 84–86, 104
Andrus, Cecil, 176
Aspinall, Wayne, 156
Association of O & C Counties, 28–29, 39, 47, 54, 62, 81, 88, 104, 117, 142, 146, 148, 159, 162, 171–173, 174
Ballinger, Richard, 11–12, 17, 158
Bean, L. E., 21–22, 24, 29–30
Bell, Roscoe, 122–124, 126, 133–135, 145
Bennett, Elmer, 153–154
Benson, Ezra Taft, 133
Biddle, Francis, 87
Bonneville Power Administration, 92, 104
Booth-Kelly Lumber Company, 8, 14–15, 31, 48
Bourne, Jonathan, 25
Brownsville, Oregon, 103
Buck, C. J., 17, 47, 63, 80
Budget, Bureau of the (later Office of Management and Budget), 54, 62, 74, 82, 89, 108–110, 123, 128, 149–151, 161–162
Butler, Ovid, 49, 74, 76

Cain, Harry, 119
California, 2–3, 7–8, 157–158
California and Oregon Railroad Company, 3
Carter, Jimmy, 176
Carver, John, 155, 159, 161
Cascade National Forest, Oregon, 20
Cecil, George, 20
Central Pacific Railroad Company, 3, 7
Chamberlain, George, 11, 13, 25
Chamberlain–Ferris Act (1916), 25–30, 39, 48–49, 66, 170

Chamberwell, Logan, 36–37
Chapman, H. H., 46, 88
Chapman, Oscar, 88–89, 92, 96, 114–115, 119, 121, 126, 137
Chudoff, Earl, hearings conducted by, 143, 146, 148
Civilian Conservation Corps, 44, 61, 64–65, 76, 79
Clackamas County, Oregon, 117, 128–129, 138, 148, 157, 173
Clarke–McNary Act (1924), 35
Classification and Multiple Use Act (1964), 156–157
Clawson, Marion, 93, 107, 109, 111, 114–115, 118–119, 122–125, 127, 129–130, 132–134, 136, 145, 169
Cleveland, Grover, 8–9
Collingwood, G. H., 74
Columbia County, Oregon, 66
Columbia Valley Authority (proposed), 92
Columbus Day storm (1962), 155, 159
competitive bidding, O & C/CB lands administration policy of, 31–32, 111, 114–115, 120, 122, 127, 138, 142, 145, 155–156, 159–160, 164
Compton, Wilson, 43, 59
Congress, consideration of O & C/CB legislation by, 1–3, 5–6, 7–13, 19, 25–30, 33, 37, 39, 46, 50–57, 73, 104, 108, 114, 117–119, 123, 143, 153, 156, 161, 169–170, 176
conservation. *See* environmental protection
Conservation, Department of (proposed), 46, 56, 114–115
controverted lands, administrative issue of O & C. *See* indemnity-lands issue
Cooke, Jay, 6
Coolidge, Calvin, 38, 40
Coos Bay, Oregon, 65, 76, 158
Coos Bay Wagon Road Reconveyed Lands, 2, 10, 33, 52–54, 57, 66, 77, 116
Coos County, Oregon, 2, 9, 54, 72, 117, 125
Coquille, Oregon, 69
Cordon, Guy, 38–39, 47, 50, 55–56, 63, 71, 73, 81, 85–86, 88, 90–92, 106–107, 117, 126, 128, 131–132, 148, 172–173
Cordon–Ellsworth bill, 88, 91, 108, 118, 128–129, 138–140
Corvallis, Oregon, 71
counties, O & C/CB. *See* Lane County, economic impact of O & C/CB lands on; Oregon and California Railroad Revested Lands and Coos Bay Wagon Road Reconveyed Lands, payments in lieu of taxes to counties containing
Cox, H. J., 47, 98, 104
Cox, Jacob, 6
Craft, Archie, 160, 164–165
Crown-Zellerbach Lumber Company, 115, 122
Curry County, Oregon, 157–159

Dallas Lumber Company, 48
Dana, Samuel T., 88
Davidson, C. Girard (Jebby), 92–93, 99, 100–107, 114–115, 120–121, 127, 136, 140, 154
Davis, Clarence, 138, 141
Delano, Columbus, 6
Dellenbach, John, 170
Dempsey, John, 55
DeRouen, René, 50, 53, 55, 64
Doerner, Ray, 164, 167
Doty, Dale, 120, 122–124, 132, 159
Douglas County, Oregon, 2, 10–11, 31, 38–39, 54, 88, 92, 116–117
Douglas fir forests, *passim*
Doyle, James, 110, 122, 125, 136, 142, 147, 149
Dunne, P. F., 23
Dworshak, Henry, 132, 134

Edwards, Newton, 120–121
Eisenhower, Dwight D., 130–131, 133, 138, 148, 150
Ellsworth, Harris, 86, 88, 91, 118, 129, 133, 138–139, 141, 144
environmental protection, 68, 92, 102, 104, 110, 129, 154, 158, 161–169, 171–176
Erickson, Leif, 102–103
Eugene, Oregon, 21, 29, 39, 61, 65, 86, 96–98, 100–101, 103, 105, 109, 120, 127, 157, 162, 166
Eugene (Oregon) *Register-Guard*, 24, 27, 38, 147, 164, 173

Fall, Albert, 34, 46
Federal Land Planning and Management Act (1976), 169–170
Federal Trade Commission, 21
Ferguson, J. W., 71
Ferris, Scott, 25–27
Fety, Rod, 162
Finney, E. C., 34–35, 80
fires and fire protection on O & C/CB lands, 32, 34, 39, 65, 68, 74, 76–77, 79–80, 85, 87–88, 120, 124–125, 134, 155, 163, 175–176
Fischer, Dale, 123–124, 128
Fischer Lumber Company, 100–105, 119–121, 123, 126, 136–137, 158
Fisher, Walter, 14
Fisk, Fred, 50
floods (1964), 155
forest management on O & C/CB lands. *See* Oregon and California Railroad Revested Lands and Coos Bay Wagon Road Reconveyed Lands, forest management practices on
Forest Service, *passim*
  forest management practices of, 22, 26, 33, 35, 43, 55, 65, 67–69, 70–71, 82, 96–97, 99–100, 102, 104–105, 107–108, 116, 146, 149–150
  jurisdictional claims to O & C/CB lands by, 17, 19–20, 25–28, 31–36, 40, 46–47, 49, 50–51, 56, 79–90, 93, 109
  proposed transfer of, 34, 40, 46, 61–62, 71, 92, 118–119, 132, 148–150, 176
forestry, schools of, 50–51, 62–63, 66, 71, 75, 102, 146, 157, 175
Fritz, Emanuel, 63, 75, 88
Fulton, Charles, 9, 23

General Accounting Office, 159–161, 171
General Land Office, administration of O & C/CB lands by, 30–90
Gerlinger, George, 48, 50, 52–54, 71, 86, 116
Getty, Russell, 154, 156–158, 160–161
Goldy, Daniel, 92, 100, 104–105, 107, 109–111, 114–115, 117, 119, 121–122, 126, 128, 134, 136–137, 140–142, 145–146, 151
Granger, Christopher, 80, 82–83, 90, 129
Grant, Ulysses S., 4
Graves, Henry, 17, 21–22, 27
Graves, Paul, 146–147
grazing, access to O & C/CB lands for, 33, 37, 52, 66, 72, 91, 93, 129
Greeley, William, 20, 36, 43, 52, 76, 85, 88, 97, 120, 126, 131
Green, Edith, 160
Gregory, Thomas, 26–27
Guernsey, William, 134

Hall, A. G., 122–124
Hansen, Julia Butler, 172
Harding, Warren G., 34
Harriman, Edward, 9, 11
Hart, Floyd, 116, 132, 136
Hart, Jim, 173–174
Hartung, A. F., 116, 137
Hatfield, Mark, 148, 159–161, 169
Hawley, Willis, 11, 14, 38–39
Heath, Virgil, 135, 146
Hermann, Binger, 9, 26
Heyburn, Weldon, 14
Hickel, Walter, 164–166
Hogan, Harry, 126, 142
Holladay, Ben, 4, 6
Homestead Act (1862), 1–2, 13, 27
Hoover, Herbert, 40, 41, 46
Hoover Commission on Governmental Reorganization, 118, 133
Horning, Walter, 51–54, 59, 62–103, 106–108, 111, 115, 122–123, 132–136, 138, 145–147, 154–155, 173–174
Housing Act (1968), 163
Houston, David, 17
Hult, Nils, 122
Hult Lumber Company, 59, 97, 99
Huntington, Collis P., 7

Ickes, Harold, 46, 48–49, 52, 55–57, 59–64, 66, 71, 73, 81–82, 85–87, 89–90, 110, 154, 176
Idaho, 134
Illick, Joseph, 62–63, 65
indemnity lands, controversy over O & C/CB, 76, 79–91, 113, 128–129, 138–140, 146

Indian Affairs, Bureau of, 50, 52, 64, 135
Interior, Department of, *passim*. *See also* General Land Office; Land Management, Bureau of
Izaak Walton League, 92, 102, 158

Jackson, Henry, 118
Jackson, Robert, 81, 87
Jackson County, Oregon, 24, 39
Johnson, Albert, 25, 28
Johnson, Fred, 48, 60, 66, 92–93
Johnson, Lyndon, 156, 160, 172
Jones, Darrell, 148, 157, 159
Jones, Robert, 173
Josephine County, Oregon, 10
Justice, Department of, 12–13, 16, 25–28, 41, 81

Kearns, Richard, 64, 69–70, 75, 95, 97
Kennedy, John, 154
Kirwan, Michael, 172
Kneipp, Leon, 35, 55, 80, 82, 84, 86, 91, 138
Knudson, Gene, 95
Korean War, 114, 118
Krug, Julius, 89, 90, 92–93, 99, 107, 110–111, 114
Kruger, Otto, 103

labor force, impact of O & C lumbering operations on local, 67, 74, 96–97, 103, 106, 111, 116, 137, 144, 165
Lafferty, A. W., 13–15, 17, 23, 29, 128–129, 138, 140, 173
Land Management, Bureau of, administration of O & C/CB lands by, 91–176
  Region One (1947–1954), 174
Lane, Franklin, 15, 17–18, 23–24, 31, 34
Lane, Joseph, 33
Lane County, Oregon, economic impact of O & C/CB lands on, 8, 11, 14, 17, 19–24, 26, 28, 32, 38–40, 48, 50, 59, 77, 79, 97, 99, 101, 104, 116–117, 129, 141, 145, 148, 154, 171–173
Lewis, Orme, 132–133, 135, 138, 148
Linn County, Oregon, 70, 101, 146
Loesch, Harrison, 166
lumber companies, policy for access to O & C/CB timber by small *vs.* large, 68–70, 76, 78, 98, 100, 102, 106–111, 121–123, 135. *See also* competitive bidding, O & C/CB lands administration policy of; roads, O & C/CB right-of-way policies for logging access
lumber industry in Oregon, 3, 5, 6, 17, 20–21, 26, 31, 34–36, 40–41, 43–44, 47–48, 52, 57, 59, 61, 68–73, 75–76, 79, 96, 109, 111, 113–115, 117, 120, 126, 131, 134, 137, 140, 144–146, 148, 151, 160, 162, 165, 171, 173, 175
lumbering communities, 51–53, 74, 96, 102

McArdle, Richard, 133
MacArthur, Clifton, 23, 27
McCall, Tom, 165–166
McClintic, Robert, 41
McCracken, Joe, 146–147, 151, 157–158, 165
McKay, Douglas, 114, 131–132, 134, 137–142, 144, 146, 148, 151, 158, 164, 167
McNary, Charles, 46, 48, 50, 54–55, 63, 82–83, 85–88
Marcola, Oregon, 100
marketing areas on O & C/CB lands, 127, 143, 145–147
Mason, David T., 45, 47, 50, 52, 55–56, 63–64, 70–71, 76, 86–87, 96, 99, 101–102, 115, 122, 136
Mason, Earl, 102–103
master units on O & C/CB lands, 95, 97–98, 146
Medford, Oregon, 65, 132, 159, 173, 175
Medford (Oregon) *Mail-Tribune*, 24, 86, 170, 173
mining, access to O & C/CB lands for, 67, 91, 129, 132–133
Mitchell, John, 8, 10
Mohawk River valley, Oregon, 100
Mohawk Sustained Yield Unit (proposed), 100–105, 107, 119–127, 136, 158
Moir, Stuart, 86, 90, 103, 115

Montana, 102
Morse, Wayne, 115, 121, 137, 143–144, 150, 160, 162
Morton, Rogers C. B., 166–167, 169
Mott, James, 55, 57, 71
Muck, Lee, 35–36, 39–41, 52, 59, 61, 63, 73, 91, 99, 100
Multiple Use and Sustained Yield Act (1960), 149
Multnomah County, Oregon, 10, 141
Myers, Henry, 26–27

National Environmental Policy Act (1970), 164
National Forestry Review Committee, 45–47
National Lumber Manufacturers' Association, 43
National Park Service, 51, 63–64, 157–159, 160, 165, 174
National Recovery Administration, 44, 45, 48
Natural Resources, Department of (proposed), 91, 132, 176
Natural Resources Planning Board, 47
Nelson, A. Z., 92, 98–99, 111
Netzorg, Leonard, 108–109, 114, 122, 125–126, 141–142, 150–151
Neuberger, Richard, 74, 76, 137, 140–141, 143, 148–149, 151
Newport, Carl, 165
Nicholson, N. O., 64
Nixon, Richard, 164, 166, 173
Northern Pacific Railroad Company, 7–8

Olympic National Forest, Oregon, 46
Olympic National Park, Washington, 46, 51, 63, 83, 88
Oregon, interest in O & C/CB lands by officials of, 11, 13, 15, 21–25, 29, 48, 50–51, 54, 76–77, 111, 121, 129. *See also* Oregon State Board of Forestry; Oregon State Planning Commission
Oregon, University of, 148, 161
Oregon and California Railroad Company, 4–11, 13, 16–17
Oregon and California Railroad Revested Lands Administration (1938–1948), 61–62, 64–65
Oregon and California Railroad Revested Lands and Coos Bay Wagon Road Reconveyed Lands (O & C/CB)
  counties containing, 10–11, 20, 22–24, 27–29, 32, 36–39, 40, 44, 46–47, 50–54, 65–66, 72–74, 77, 88, 113, 116–118, 127–129, 140, 147–148, 160, 165, 171–172, 174
  forest management practices on, 20, 45, 47, 51–54, 60, 67–70, 72, 76, 82, 85, 87, 89–90, 97, 101–102, 105, 108–110, 113, 115, 127, 135, 146, 150, 159, 162–163, 170–171
  indemnity sections of, 3, 36, 76, 79–91, 113, 128–129, 138–140, 146
  land-grant origin of, 1–3
  other intermingled lands included in, 31, 33, 72–73, 120, 154–155, 157–158, 160
  policies as a political issue, 15, 25, 38, 47, 51, 91–92, 100, 104, 107, 119–120, 129, 131, 135, 137, 140–141, 144–146, 153, 160, 166, 170
  railroad company claim to, 17–30
  statutory bases for federal administration of, 25–30, 33, 37–40, 49–57, 61–64, 117, 119, 147, 157, 170, 174
  timber-sale records for, 5–11, 14–17, 31–32, 36–37, 40, 44, 50–52, 59–60, 67–69, 72–74, 77, 85–86, 90, 102–103, 109, 111, 119, 123, 127, 133, 150–151, 155, 162, 164, 167, 171, 173
Oregon State Board of Forestry, 10, 20, 22, 24, 32, 37, 39, 41, 47, 51, 62, 65, 71–72, 115, 165, 175–176
Oregon State College (later University), 71, 102, 175
Oregon State Office, Bureau of Land Management, 132, 134–136, 138–139, 154, 156, 161, 163–164
Oregon State Planning Commission, 46, 47, 51
"out-takes," 170
Oxbow Fire (1966), 155

Pacific Northwest Forest and Range Experiment Station, 68, 162
Peavy, George, 71
Pecore, A. C., 51, 62
Peterson, E. C., 144, 149–150
Pike, Mark, 64
Pinchot, Gifford, 10, 14, 17, 25, 34, 55, 158
Pittman, Key, 56
"plowback" funds, 128, 172–174
Point Reyes National Seashore, California, 157–158
Poole, Rufus, 49, 51, 53, 56, 59, 60–61, 64, 85
Port Orford cedar, 72, 76
Porter, Charles, 141, 144
Portland, Oregon, 3, 4, 6, 12, 14, 23, 51, 60–61, 64, 109, 128, 130, 132, 134, 141, 146–147, 162, 165, 172
Portland (Oregon) Chamber of Commerce, 21, 29, 41
Proxmire, William, 172
public-domain sections, included in O & C/CB lands administration, 73, 154, 157–158
Public Land Law Review Commission, 169
Public Law 273 (1944), 87, 96
public service camps, 76
Puter, S. A. D., 15–16

railroads, federal land grants to, 1–18
Random Lengths, 104
Rands, Ernest P., 30–33, 41, 48, 52, 59, 62, 64, 68
Rasmussen, Boyd, 161–162, 164–167, 176
reclamation, use of O & C/CB lands for, 22, 28, 32–33, 46, 89
recreation, use of O & C/CB lands for, 52, 67, 102, 113, 128, 159, 163, 174
Recreation Act (1954), 174
reforestation of O & C/CB lands, 45, 52, 61, 65–66, 76, 88, 114, 124–125, 128, 163
Reid, Frank, 102–103
Resettlement Administration, 48–49
Revestment Act (1916). *See* Chamberlain–Ferris Act
roads, O & C/CB right-of-way policies for logging access, 64–65, 88, 107, 109–110, 113–115, 120–126, 128, 135–138, 141–147, 149, 155–156
Rogue River valley, Oregon, 3
Roosevelt, Franklin, 44, 46–47, 49, 53, 56, 61, 63, 81, 87
Roosevelt, Theodore, 10–11, 15, 25
Roseburg, Oregon, 2, 31, 65, 67, 98, 103, 128, 165, 171, 173

Salem, Oregon, 6, 21, 27, 35, 65, 98
Salem (Oregon) *Capital-Journal*, 27
sales, O & C/CB timber. *See* Oregon and California Railroad Revested Lands and Coos Bay Wagon Road Reconveyed Lands, timber-sale records for
salvage operations on O & C/CB lands, 125–126, 128, 133, 135, 155, 163
Saylor, John, 139
Schofield, Donald, 175
Seaton, Fred, 144, 146, 148–149, 151, 153, 156, 169
Sever, Frank, 117, 157
Shanklin, John, 120–121, 134, 136, 150
Shelton (Washington) Sustained Yield Unit (Forest Service), 99, 104
Shepard, Ward, 50
Sierra Club, 165
Silcox, Ferdinand, 56, 70, 80
Sinnott, Nicholas, 39
Siuslaw, Port of, Oregon, 38
Siuslaw National Forest, Oregon, 20, 66, 81, 100
Siuslaw River valley, Oregon, 77, 97, 155
Sloan, Gordon, 165–167
Small Business Administration Act (1953), 143–144
Smith, Joseph, 4
Smoot, Reed, 33
Society of American Foresters, 45–46
Southern Pacific Railroad Company, 7–9, 13–14, 19–20, 23–24, 28, 30, 34
Sprague, Charles, 97, 115, 137, 141, 172, 175
Spry, William, 35, 37
Stamm, E. P., 115
Stanfield, Robert, 37–39, 40

Stanfield Act (1926), 37–39, 45, 51, 54
Steiger, Sam, 170
Steiwer, Frederick, 40–41, 47, 54
Stoddard, Charles, 156–158, 160–162, 165, 172, 175
Storms, Murl, 163–164, 175
Straub, Robert, 87, 142, 154, 159, 166
Straus, Robert, 87
Stuart, Robert, 41
Supreme Court of the United States, 18–19, 21, 24, 28, 30, 38, 173
Sustained Yield Act (1937), 50–57, 61–62, 64, 170
sustained-yield agreements on O & C/CB lands, 55, 67, 95–96, 100–102, 104–106, 111, 113–114, 124, 127, 135. *See also* Mohawk Sustained Yield Unit (proposed); Shelton (Washington) Sustained Yield Unit
sustained-yield forest management on O & C/CB lands. *See* Oregon and California Railroad Revested Lands and Coos Bay Wagon Road Reconveyed Lands, forest management practices on
Sweet, Alfred, 157–158
"Sweet Swap" controversy, 154–162, 175

Taft, William Howard, 15, 25
Tallman, Clay, 15–17, 19, 23–25, 30–33
Taylor Grazing Act (1934), 66
Tillamook County, Oregon, 151
Tilton, Warren, 63, 71
Timber and Stone Act (1877), 5, 27
Titus, Reginald, 102–104, 106, 111, 123, 137, 141–142, 146
Townsend, Burdette, 14, 16
Treasury, Department of the, 28, 33, 37, 77, 80, 82, 138
Truman, Harry, 54, 89–90, 92, 99, 101, 107, 118, 133
Tugwell, Rexford, 49
Tyrrell, Travis, 75, 95, 101, 108, 114, 125, 136–137, 145, 158, 160–161

Udall, Stewart, 154–156, 159–161, 164
Umpqua National Forest, Oregon, 20, 79, 108
Umpqua River valley, Oregon, 3, 80, 83, 117, 125
United States Government. *See* specific agencies and departments

Villard, Henry, 6–8
Vincent Creek Fire (1951), 124

Wallace, Henry A., 46, 56, 81–82
Wallace, Henry C., 36
War Production Board, 75
wartime, O & C/CB lands in, 31–32, 73, 75–77, 83, 89, 114, 118
Washington State, 25, 119
Wasserman, Jacob, 124, 126, 136
Watkins, Arthur, hearings conducted by, 104, 106–107, 109, 143
Watts, Lyle, 79–84, 86, 104, 129, 140
Weaver, James, 170
Wengert, E. G., 120, 122
West, Oswald, 15, 22–23, 25, 32, 129
West Coast Lumbermen's Association, 43, 60, 110, 131
Western Association of Loggers and Lumbermen, 98, 102–104, 145
Western Forest Industries Association, 102, 106, 123, 133, 142, 146, 148, 157
Western Oregon Forest Management Area, 155
Weyerhaeuser Lumber Company, 122, 129, 143
Wickard, Claude, 82, 85, 89
Wilbur, Ray Lyman, 40–41, 43
Willamette River valley, Oregon, 3–4, 146
Willamette Valley Lumbermen's Association, 11, 47, 50, 52, 55, 61
Williams, George H., 3–4
Williams, S. W., 26–27
Wilson, Woodrow, 15, 19, 25, 28
windstorms on O & C/CB lands, 124, 128, 155, 175
Withycombe, James, 21–22
Witten, J. W., 11
Wolf, Robert, 149, 160, 165
Wolfsohn, Joel, 60, 71, 76, 83–86, 89, 92, 96, 100
Wolfsohn–Granger Agreement (1942), 81, 83–84, 86, 88–90, 109, 129

Wolverton, Judge Charles, decision by, 15, 18–20
Woods, John, 74
Woozley, Edward, 134–138, 140–147, 156
Work, Hubert, 36–40
Wyatt, Wendell, 167

FOREST HISTORY SOCIETY